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THE GROUP OF TWENTY-NINE

by
Mary C. Sullivan
Research and Analysis Section
The Canada Council

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[Canada]

General publications



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THE GROUP OF TWENTY-NINE

Financial and Operational Statistics
of Twenty-nine Performing Arts Organizations
from 1966 to 1972

prepared by
Mary C. Sullivan
Research and Analysis Section
The Canada Council

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FOREWORD

In recent times Canadian society seems to have been devoting more and more attention to artistic and cultural matters. Evidence of this increasing interest can be seen in the fine new buildings that house cultural activities of all kinds, in the press coverage of artistic performances and exhibitions in Canada and abroad, and in the preoccupation of children and young people with art and music. It can also be discerned in statistical reports of government and other agencies, allowing us to measure the extent of the changes taking place, and to compare them objectively among themselves or measure them against a standard set as a desirable state of affairs. For instance, we can see from published Statistics Canada figures that during the latter half of the '60s, family expenditures for attendance at plays, concerts and museums rose faster than those for food, clothing or attendance at sports events or movies. Over the same period, government expenditures for recreation and culture increased almost as rapidly as for health and education, and faster than for any other major category.

Within this general context the present report focuses on a very significant sector of cultural activity, the publicly subsidized professional performing arts. It presents a statistical record over the five years from 1966-67 to 1971-72 of the finances and performing activities of a number of orchestras, and opera, dance, and theatre companies that constitute a major

portion of the performing arts "industry" in Canada.

The figures presented are a compilation of the facts reported to us by the companies. There is considerable variation in the circumstances of individual companies that should be taken into account before any single evaluative judgment is made. The report is being published to provide useful indications for managers of arts organizations and to contribute generally to a wider and deeper understanding of the mechanics involved in providing music, drama and dance to the Canadian public, and of the functioning of a sector of the Canadian economy whose total operating expenditures for 1971-72 exceeded \$30 million.

Thanks are due to Mary Sullivan, who was in charge of the study. We are also most deeply indebted to the performing arts companies themselves who provided the data, in flagrant disregard of W.H. Auden's injunction:

Thow shalt not answer questionnaires
Or quizzes upon World-Affairs,
Nor with compliance
Take any test. Thou shalt not sit
With statisticians nor commit
A social science.

Under which Lyre

J. Norman Lamont
Chief
Research and Analysis Section

André Fortier
Director

The Canada Council

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INTRODUCTION

During the period under discussion, the total number of performing arts organizations assisted by operating grants from the Canada Council rose from 49 to 60, with a few disappearing and new ones appearing. The group of 29 companies included in this report remained constant, however, thereby allowing us to make more reliable observations on the trends occurring in the performing arts. It should be noted that the numbers of organizations mentioned above do not take into account those given Canada Council grants for special projects.

The Group of Twenty-Nine, as we shall refer to the performing arts companies included in the analysis, consists of ten orchestras (including one chamber ensemble), three opera companies, three dance companies, and thirteen theatre companies. (The list of organizations appears as Appendix A.) As well as representing the different forms of the performing arts, the group includes both large, well-established organizations, several of which tour extensively and serve the country as a whole, and smaller companies whose activities are confined mainly to their own region. The group is also broadly representative of the entire country with organizations located in Charlottetown, Halifax, Quebec and Montreal, Toronto, Stratford and Niagara-on-the-Lake, Winnipeg, Regina, Calgary and Edmonton, Vancouver and Victoria.

Canada Council grants to the Group of Twenty-Nine rose from \$1.8 million to \$5.4 million over the period (Appendix B).

In each year the grants given to the ten orchestras, three opera companies, three dance companies and thirteen theatres represented just over 40% of all Canada Council funds spent for the arts and over 50% of all Canada Council subsidy for arts organizations. It is evident that in dealing with this group of 29 performing arts companies, we are concerned with the activities of a very important segment of the Council's clientele.

While Canada Council grants to the Group of Twenty-Nine almost tripled over the period, the most significant increase occurred in the first year when, due to additional Government appropriations, the Council could allocate more funds to the arts. In addition, Canada was celebrating its Centennial. Arts organizations played a major role in the festivities across the nation, and the Council along with other funding agencies, particularly the Centennial Commission, provided them with special subsidies. The additional performances given by the companies and the increased costs incurred in their presentation will be referred to throughout Parts 1 to 3, as specific areas of production are discussed. New productions were mounted by many of the 29 companies. For example, the Canadian Opera Company presented two Canadian works: "The Luck of Ginger Coffey" and "Louis Riel"; Royal Winnipeg Ballet premiered "Rose Latulippe", also a Canadian work. Theatre companies in Vancouver, Montreal and Halifax mounted new productions, and most orchestras included in their programming new works commissioned for 1967. The Charlottetown Festival's

"Anne of Green Gables" and two productions of the Stratford Shakespearean Festival, "Twelfth Night" and "The Inspector General", were seen by Canadians from coast to coast. Two other classical companies were also on the road: Théâtre du Nouveau Monde with Molière's "Le Bourgeois Gentilhomme" and the National Ballet of Canada with "The Nutcracker" and "La Sylphide". These and other companies participated as well in the artistic programs of Expo 67 in Montreal.

Over the years the Canada Council has collected a considerable store of statistical data relating to the finances and performing activities of the organizations it subsidizes. In the early years of the Council this information was gleaned, as the need arose, from the files of the organizations: from their annual reports and programs for performances, from financial statements and interim reports as the season progressed, and so on. For 1969-70, the collection of the data was undertaken in a more systematic way and with direct input from the arts organizations. The Research and Analysis Section, in consultation with the Council arts officers and representatives of some of the organizations concerned, designed an End-of-Season report form which was sent to all companies receiving operating grants for that season. Since then, similar questionnaires have been completed by the performing arts organizations for the 1970-71 and 1971-72 seasons. Tabulations of the data reported by the companies for their completed seasons form the basis of this analysis.

The report has been organized in four sections. Part 1 deals with the production resulting from the operations of the Group of Twenty-Nine over five years; the performances presented in the city where the companies reside and those on tour; the size of the audience enjoying these productions; and the numbers of the audience who attended on a regular basis or the subscribers.

The expenses of presenting these performances for each arts sector are described in Part 2. The costs of producing an orchestral concert, a ballet or opera performance, or a dramatic presentation are discussed under the following headings: Artistic Salaries; Technical Salaries; Sets, Props and Costumes; Theatre Expenses, Publicity and Promotion, and Administration.

Part 3 of the study deals with the revenues of the arts organizations by sector. Sources of operating revenue, or earned revenue, are discussed, as are grants and donations from the three levels of government (federal or Canada Council, provincial, and municipal) and the private sector.

The changes over the five-year period in the relation of the artistic "output", or number of performances, of the Group of Twenty-Nine to the costs incurred in the productions and the revenue derived through them are outlined in Part 4. A summary of the finances for all arts sectors concludes the report.

1: PERFORMANCES AND AUDIENCE

Performances at Home and On Tour

In 1967, the 29 organizations of the Group appeared on 2,449 occasions in their own cities and 928 times in other centres, for a total of 3,377 performances in the season (Table 1.1, page 18). Five years later, in 1972, the same companies gave 3,331 performances at home (almost the total number given in 1967) and 2,143 performances on tour. The audiences attending these presentations increased by some one million spectators, rising from an attendance of somewhat less than three million in 1967 to just over four million in 1972. While the number of performances at home increased by slightly more than one-third, the performances on tour more than doubled. For all forms of art and all types of performances, the increase over five years was 62%.

Among the individual art forms, the dance companies show the greatest growth in the number of performances given. These have more than doubled, with the greater part of the increase attributable to more intensive touring. Dance organizations are very much dependent on touring to provide a longer season for the company, thus giving the dancers more employment, and consequently keeping the company together. In 1968, the 287 performances on tour, including those under the sponsorship of Festival Canada, were almost double the 155 given in 1967 but the number then decreased to 262 in 1969, and 211 in 1970. The following year saw a slight increase to 221. In 1972, when the total number of performances

on tour rose to 375, the Grands Ballets Canadiens toured both in Canada and the U.S.A. with their popular rock ballet "Tommy" and the Royal Winnipeg Ballet performed in New Zealand, Australia as well as in the U.S.A.

Theatre places next on the scale. Performances in the home cities of the companies increased by one-third (from 1,868 in 1967 to 2,580 in 1972) and performances in other centres tripled (from 501 in 1967 to 1,518 in 1972). Growth in all activity for this form of art over the period was 73%. The theatre sector, unlike the other forms of art, shows a steady increase in the number of performances given and does not appear to have been affected to the same degree by the operations of Festival Canada in 1967. Theatre companies, particularly those in Vancouver, Edmonton and Regina, have developed, as an integral part of their operations, productions especially designed for children which are presented in numerous small centres in their provinces. Regina's Globe Theatre and Vancouver's Playhouse Holiday Theatre had been serving the children in their respective regions from the beginning of the five-year period. In 1969 Edmonton's Citadel Theatre took to wheels and gave some 50 performances for children throughout Alberta. Since 1970, these three theatre companies have presented a combined total of 900 tour performances annually, more than half the total number of tour performances given by all companies. Also during the period, Les Jeunes Comédiens, now a special wing of the Théâtre du Nouveau Monde in Montreal, toured throughout Canada and

in some American centres with a program prepared for students.

Music and opera organizations show only slight increases in the total number of performances, 12% and 8% respectively. This trend is affected, however, by the fluctuation in the number of performances on tour. Companies in these two forms of art were able to travel more in 1967 and 1968 when subsidies were provided by the Centennial Commission for their participation in Festival Canada. Orchestras gave 368 tour performances in 1967, and 162 in 1968 but then dropped to 124 in 1969 and 109 in 1970. However, the performances out of town rose again, to 130 in 1971 and 156 in 1972. The number of home concerts given by the orchestras fluctuated only slightly over the five years. This is due in large measure to the fact that these arts organizations find it very difficult to increase their annual production without a concomitant increase in their operating costs. An orchestra rarely gives a regular concert with less than its full complement of musicians, with the result that its costs per concert remain fairly constant. Dance and theatre companies, however, have more flexibility in their programming. They have a choice between large-scale works that are expensive to produce and works of smaller dimensions and fewer cast members that are much less costly. By varying their programs, these groups are in a position to effect increases in production without raising operating costs significantly.

Opera too had a busy season in 1967 when, as part of Festival Canada, 104 performances were presented in away-from-home

centres and two new productions were added to the repertoire of one of the companies. Tour performances dropped to 87 in 1968 and even further to 62 in 1969 but rose again in 1970 and levelled off at 92 in 1971, and 94 in 1972. The number of opera performances given at home have changed very little over the five years: from 47 in 1967 to 53 in the following three years and 69 in 1972. Most operas are large-scale productions with huge casts and therefore are very expensive to mount, so that these companies are faced with the same situation as the orchestras. They would like to increase the number of performances given in their home cities but are unable to expand their seasons to any great extent because of the resulting substantial increase in operating costs.

Attendance at Performances

The total audience for all arts performances increased by 53% over the five-year period, from 2,748,000 in 1967 to 4,207,000 in 1972 (Table 1.3, page 20). Among the individual arts sectors, dance leads the others in growth of audience. These companies have doubled their attendance, from 405,000 in 1967 to 949,000 in 1972, as they have doubled the number of performances.

Theatre shows an 85% increase in attendance figures, from 901,000 in 1967 to 1,665,000 in 1972, not entirely reflecting the considerable growth in the number of performances given by these companies. Theatre attendance reached a peak of 1,706,000 in 1971 and tapered off somewhat in 1972 to the 1,665,000 mentioned

above. Although attendance figures for some theatre companies decreased slightly in the last year, the rate of change for total theatre attendance has been affected in the last three years by the school tours undertaken by the three companies in Vancouver, Edmonton and Regina. The average attendance at these performances is between 200 and 300 children. Because performances of this type represent over half of the total number of tour performances and about one-quarter of the total number of all performances, these attendance figures tend to reduce the rate of growth in total attendance for this form of art. However, these companies are carrying out an important function for theatre by reaching out to many smaller communities and developing future adult audiences through school programs.

In music and opera, the trend was similar. Attendance decreased from 1967 to 1969, following the accelerated activities of Centennial year, but rose to a new peak in 1972. In music, attendance dropped from 1,223,000 in 1967 to 1,189,000 in 1969, but increased again to 1,317,000 in 1972. For opera, attendance was 219,000 in 1967, dropping to 199,000 in 1969 and rising again to 276,000 in 1972.

All of the foregoing figures include the individual who attended a concert or a play once as well as the individual who was present several times. It is difficult, therefore, to arrive at an accurate figure for the number of individuals in the total performing arts audience. However, in a 1966 study Baumol and

Bowen¹ made some estimates of the total audience for the performing arts in the U.S.A. for the 1963-64 season. Their surveys indicated that an individual attended a symphony concert an average of 4.8 times. The corresponding figures for the other forms of art were 2.6 for opera, 2.3 for dance and 4.5 for theatre. If we make the admittedly broad assumption that these figures are applicable to the situation under review in Canada, we can make some estimate of the change in the number of individuals present at performances of the Group of Twenty-nine over the five-year period.

ESTIMATED ARTS AUDIENCE BY FORM OF ART, 1967 and 1972

Form of Art	Average Number of Times Attended in 12 Months	1967		1972	
		Actual Attendance	Number of Individuals Attending	Actual Attendance	Number of Individuals Attending
		'000	'000	'000	'000
Music	4.8	1,223	254.8	1,317	274.4
Opera	2.6	219	84.2	276	106.2
Dance	2.3	405	176.0	949	412.6
Theatre	4.5	901	200.2	1,665	370.0
<u>Total</u>		<u>2,748</u>	<u>715.2</u>	<u>4,207</u>	<u>1,163.2</u>

The greatest growth in popularity is in dance, where the number of persons attending a performance rose by 134%. Theatre was next, attracting 85% more people in 1972 than in 1967, followed

¹William J. Baumol and William G. Bowen Performing Arts: The Economic Dilemma (New York, 1966).

by opera with an increase of 26% in the number of individuals, and music with the least change at 8%. During the period the total population of Canada grew by some 8%. Even allowing for this increase, the proportion of the total population which attended a dance performance rose by one percentage point. (We have compared our estimated audience with the total population because of the performances for children given by some companies.) The proportion of the population represented in the estimated audience for theatre and opera rose slightly, but remained exactly the same for music over the period.

Because of the possible overlap of audiences among art forms, we cannot arrive at an estimate of the total number of individuals in the entire performing arts audience. (A dance patron may have been present also at a concert or play.) Nevertheless, the increases in the separate sectors indicate that the number of Canadians who have been attracted to the performances of the Group of Twenty-Nine, and in particular of the dance companies, has grown substantially.

Canadian Content

Considerable interest has developed recently in the extent to which performing organizations are presenting the productions of Canadian creative artists: composers, choreographers, playwrights. For the purpose of the End-of-Season report for arts organizations, a performance of a Canadian work was defined as follows:

Symphonic music: any concert in which one or more works by a Canadian composer is (are) performed;

Opera: a performance of an opera where either the music or the libretto was created by a Canadian;

Dance: a performance of a ballet where either the music or the choreography was created by a Canadian;

Theatre: a performance of a play written by a Canadian, (translations and adaptations are excluded).

Although statistics relating to this aspect of performances have only been collected for 1970-71 and 1971-72, it is remarkable that over the one year there was a 50% increase in the number of performances in which works by a Canadian were included (Table 1.2, page 19). This development is almost entirely attributable to the theatre sector, where the number of performances of Canadian plays has risen from 26% to 39% of the total program for the season. The percentage would be even greater if we eliminated those festival theatres whose policy it is to perform the works of a particular playwright. Dance has gained four percentage points but its proportion of performances that include Canadian ballets had already reached 75% in 1971. No Canadian operas were performed in 1971 and 1972, although two had been produced in Centennial year. Orchestras indicated that 19% of the performances they gave in 1971 included works by Canadian composers; the proportion was 18% in 1972.

While we have noted the changes in the inclusion of Canadian works in the programming of the organizations in each art form, comparisons of the proportion of Canadian content cannot be made between sectors. The definitions listed above have been

tailored to suit the individual forms of art and consequently permit a wide variation in the results recorded.

Subscribers

The sale of subscriptions (a ticket for a series of performances) has been adopted by most of the 29 companies as one method of increasing their audience. In 1972 all the orchestras and opera companies, 2 of the 3 dance companies, and 8 of the 13 theatre companies conducted subscription campaigns. The larger orchestras have more than one series of programs and sell subscriptions for each series. Complete statistics on numbers of subscribers are available only for the last three years (Table 1.4, page 21). In 1970, in all arts sectors, 109,324 persons bought subscription tickets. In 1972, the number of subscribers increased by 33% to 145,582.

The same pattern is evident in music where the number of subscribers increased from 47,727 in 1970 to 63,814 in 1972. Over the same period, opera subscribers increased almost 100%, from 12,064 to 23,722. In 1971-72 all three opera companies reported substantial gains in the number of subscriptions, but the Vancouver Opera more than doubled its list of season ticket-holders. A comparison cannot be made in dance for the same period; only one company reported subscribers for 1970. Over the next two years when two companies reported, an increase of 20% was achieved in subscriptions. Theatre subscribers numbered 45,518 in 1970 and increased slightly to 46,811 in 1972.

Table 1.1

Number of Performances by Form of Art and Location,
1966-67 to 1971-72

Form of Art and Location		1967	1968	1969	1970	1971	1972
Music	Total	<u>638</u>	<u>673</u>	<u>724</u>	<u>672</u>	<u>648</u>	<u>716</u>
	Home	<u>470</u>	<u>511</u>	<u>600</u>	<u>563</u>	<u>518</u>	<u>560</u>
	Tour	168	162	124	109	130	156
Opera	Total	<u>151</u>	<u>140</u>	<u>115</u>	<u>176</u>	<u>143</u>	<u>163</u>
	Home	<u>47</u>	<u>53</u>	<u>53</u>	<u>53</u>	<u>51</u>	<u>69</u>
	Tour	104	87	62	123	92	94
Dance	Total	<u>219</u>	<u>372</u>	<u>361</u>	<u>286</u>	<u>336</u>	<u>497</u>
	Home	<u>64</u>	<u>85</u>	<u>99</u>	<u>75</u>	<u>115</u>	<u>122</u>
	Tour	155	287	262	211	221	375
Theatre	Total	<u>2,369</u>	<u>2,808</u>	<u>3,117</u>	<u>3,659</u>	<u>3,978</u>	<u>4,098</u>
	Home	<u>1,868</u>	<u>1,999</u>	<u>2,262</u>	<u>2,199</u>	<u>2,526</u>	<u>2,580</u>
	Tour	501	809	855	1,460	1,452	1,518
All Arts	Total	<u>3,377</u>	<u>3,993</u>	<u>4,317</u>	<u>4,793</u>	<u>5,105</u>	<u>5,474</u>
	Home	<u>2,449</u>	<u>2,648</u>	<u>3,014</u>	<u>2,890</u>	<u>3,210</u>	<u>3,331</u>
	Tour	928	1,345	1,303	1,903	1,895	2,143

Table 1.2

Total Performances and Performances of Canadian Works
by Form of Art, 1970-71 and 1971-72

Form of Art	1971			1972		
	Total No. Performances	Canadian Number	Percentage	Total No. Performances	Canadian Number	Percentage
Music	648	124	19.1	716	131	18.3
Opera	143	-	-	163	-	-
Dance	336	253	75.3	497	392	78.9
Theatre	3,978	1,031	25.9	4,098	1,606	39.2
<u>Total</u>	<u>5,105</u>	<u>1,408</u>	<u>27.6</u>	<u>5,474</u>	<u>2,129</u>	<u>38.9</u>

Table 1.3

Total Attendance by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	'000	'000	'000	'000	'000	'000
Music	1,223	1,224	1,189	1,149	1,171	1,317
Opera	219	213	199	234	215	276
Dance	405	615	565	494	484	949
Theatre	901	1,196	1,275	1,484	1,706	1,665
<u>Total</u>	<u>2,748</u>	<u>3,248</u>	<u>3,228</u>	<u>3,361</u>	<u>3,576</u>	<u>4,207</u>

Table 1.4

Number of Subscribers by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
Music	N/A	N/A	N/A	47,727	55,760	63,814
Opera	-	10,805	10,852	12,064	15,975	23,722
Dance	-	8,104	6,700	4,015	9,216	11,235
Theatre	-	27,944	42,450	45,518	46,840	46,811
<u>Total</u>	-	<u>46,853</u>	<u>60,002</u>	<u>109,324</u>	<u>127,791</u>	<u>145,582</u>

2: COSTS OF OPERATION

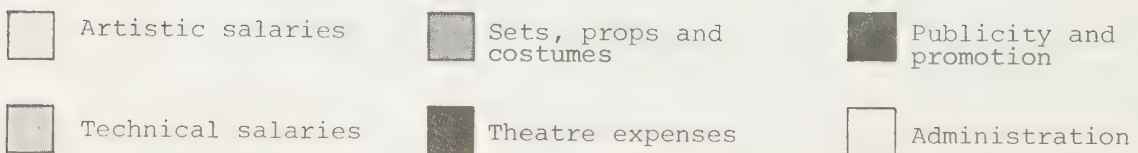
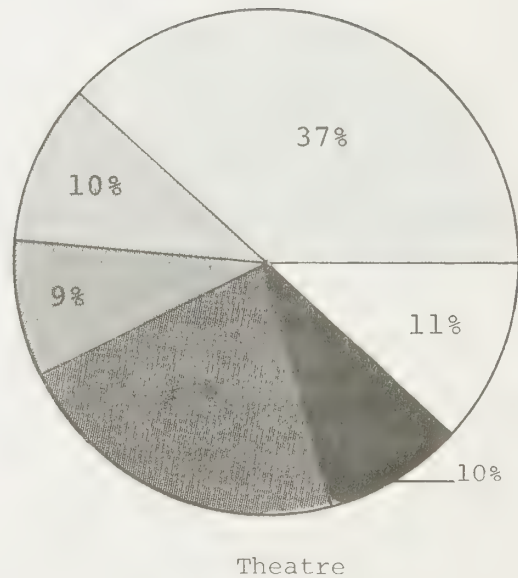
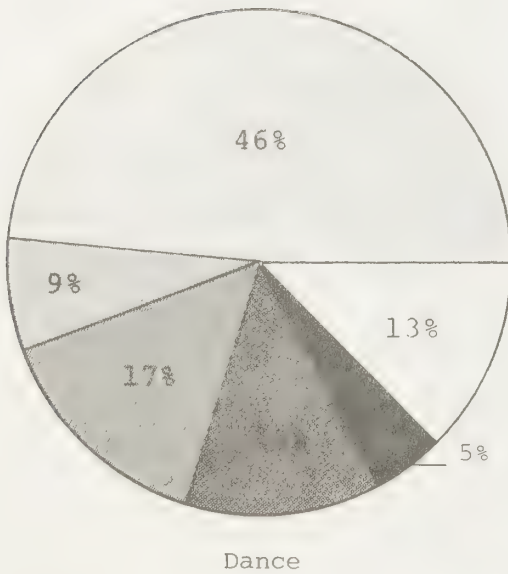
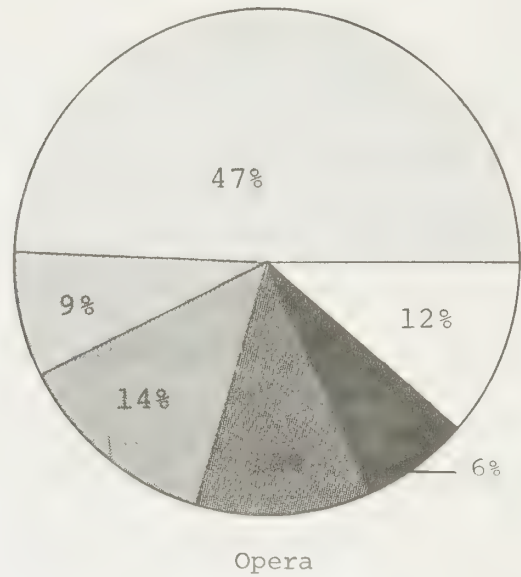
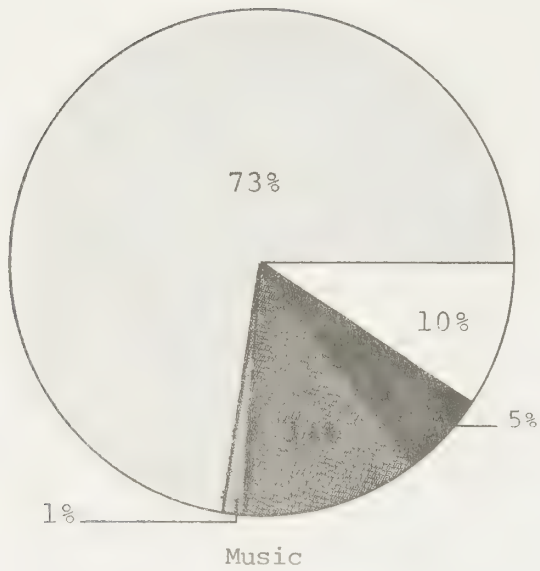
Over the five-year period, expenditures incurred by the Group of Twenty-Nine for the presentation of the performances described in the previous chapter have doubled, from a total of \$12,008,000 in 1967 to \$24,091,000 in 1972 (Table 2.1, page 42). In the first year alone, expenditures rose 30% to \$15,708,000. This sharp increase was mainly the result of the celebration of Canada's Centennial, when artistic activities were greatly accelerated. The new productions presented and the special tours undertaken by the arts companies have been outlined earlier.

Turning to the individual arts sectors, one finds an increase of approximately 100% in total expenses for music, opera and theatre, while for dance the increase over the five-year period was 80%. A 1972 study² of 28 leading U.S. orchestras reporting to the American Symphony Orchestra League noted that in the five-year period from 1966 to 1971 total operating expenses increased 97%, only slightly less than in the case of the Canadian orchestras in the Group of Twenty-Nine. Comparatively speaking, it appears that increases in costs of operation for orchestras in Canada and the United States over a similar period have been almost parallel.

² John Macomber and John T. Wooster, McKinsey & Company Inc. How to Resolve the Growing Financial Crisis of our Symphony Orchestras (New York, April 1972).

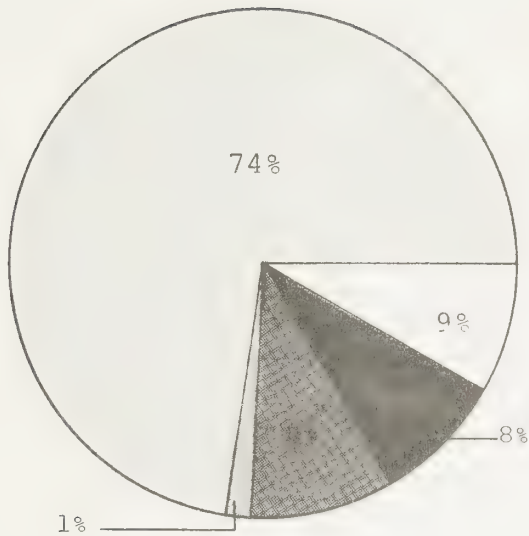
Figure 2a

Percentage Distribution of Expenditures by Form of Art
1966-67

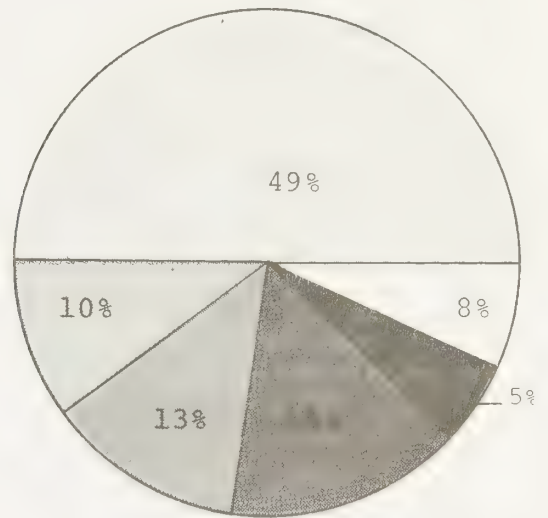


Percentage Distribution of Expenditures by Form of Art

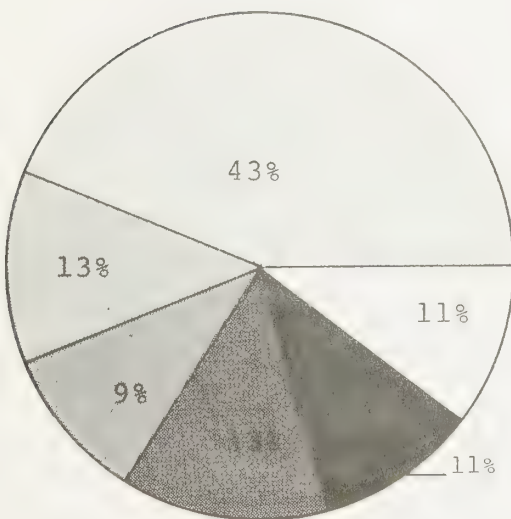
1971-72



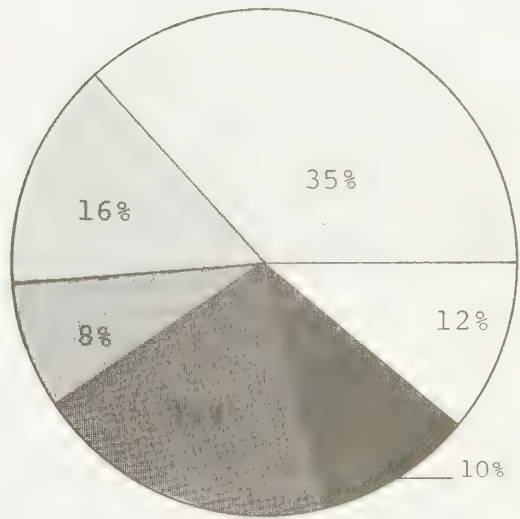
Music



Opera



Dance



Theatre

Artistic salaries

Sets, props and costumes

Publicity and promotion

Technical salaries

Theatre expenses

Administration

Distribution of Costs

Costs for performing organizations in all forms of art are distributed according to the following categories, defined in Appendix C: Artistic Salaries; Technical Salaries; Sets, Props and Costumes; Theatre Expenses (including rental, royalties and miscellaneous production expenses); Publicity and Promotion; and Administration. Figure 2a illustrates the 1966-67 and 1971-72 percentage distributions of costs for each art form. Appendix D provides the percentage distribution of operating expenses for individual art forms and for all arts over the five-year period.

The proportion of the total expense represented by each of these components varies according to the form of art. For example, for 1972 artistic salaries represented 74% of the total expenditures in music, but much smaller proportions of the expenses for the remaining art forms: 49% in opera, 43% in dance, and 35% in theatre. Orchestras, of course, do not incur costs for such items as technical salaries or sets, props and costumes which are a necessary part of producing an opera, ballet or play. In the same year, technical salaries represented 1% of music expenses, 10% of opera, 13% of dance, and 16% of theatre while sets, props and costumes were 13% of opera expenses, 9% of dance, and 8% of theatre. The difference among the arts sectors in the proportion of the expense incurred for publicity and promotion or administration is slight. For 1972 the cost of publicity and promotion was 8% of the music expenses, 5% of opera, 11% of dance, and 10%

of theatre, while costs of administration represented 9% in music, 8% in opera, 11% in dance, and 12% in theatre.

While total expenses have increased over the five-year period, the proportions for categories of expenses have not varied widely. Artistic salaries in music increased from 73% to 74% of total expenses, while theatre expenses in that sector decreased from 11% to 8%. In opera, artistic salaries increased from 47% to 49% of total expenses, technical salaries from 9% to 10%, and theatre expenses from 12% to 15%. In dance and theatre, the proportion of expenses for artistic salaries decreased from 46% to 43% and from 37% to 35%. Technical salaries, however, account for an increased portion of the costs, from 9% to 13% in dance and from 10% to 16% in theatre. In both years, the theatre sector paid the highest proportion of expenses for its accommodation, 23% in 1967 and 19% in 1972. Dance companies had the lowest proportion for accommodation in 1967, and music organizations ranked the lowest in 1972.

Artistic Salaries

The total expenditure for artistic salaries for the 29 organizations has almost doubled in the five-year span, rising from \$6,312,000 in 1967 to \$12,506,000 in 1972 (Table 2.2, page 43). Centennial activities provided considerably more employment for performing artists and were responsible for a 24% increase in all sectors in 1968.

Figure 2b shows the trends in artistic salaries for each

Figure 2b

Artistic Salaries Expenses, 1966-67 to 1971-72

\$'000,000



arts sector. After an initial increase in 1968, artistic salaries continued to rise, particularly in music, but also in theatre. In music they more than doubled, from \$3,080,000 in 1967 to \$6,426,000 in 1972, while in theatre the increase was just under 90%, from \$1,559,000 to \$2,987,000. After an initial rise from \$554,000 to \$742,000, opera remained at about the same level in 1969 (\$792,000) and then climbed to \$993,000 in 1970, and remained there for another year, before rising to \$1,256,000 in 1972. However, artistic salaries for dance dropped to \$1,262,000 in 1969 from \$1,345,000, the level reached in 1968. This decrease reflects the reduction in number of performances noted previously. In 1970 and 1971 expenses for artistic salaries in dance rose to \$1,428,000 and \$1,440,000 and climbed to \$1,837,000 in 1972.

It should be noted that these expenses include the costs of travel for artists; the totals could therefore be affected by the extent of touring in any one season.

Looking again at the study³ of 28 major U.S. orchestras, one finds that the expenses for artistic salaries and benefits increased by 89% from 1966 to 1971. This is slightly less than the rise in costs for the Canadian orchestras in the Group of Twenty-Nine. However, it should be noted that the U.S. orchestras are major symphonies whereas the Canadian group includes both major and regional orchestras. Therefore, there would be some difference in the number of full-time professionals employed by

³ John Macomber and John T. Wooster, op. cit.

the orchestras in the two groups and consequently in the structure of fees paid by the orchestras. Over the entire period, the orchestras in the U.S. group were composed of full-time musicians whose salaries would be contracted accordingly. Within the Canadian group some orchestras were in the process of achieving a similar level of employment by increasing their numbers of full-time members as they also extended their seasons. Consequently, musicians' salaries for these orchestras would show a faster rate of increase. However, it can be observed that the increases in salaries paid by Canadian orchestras are not out-of-line with those being paid in another country on this continent.

Some explanation must be given for the absence of data on average earnings for individual musicians, singers, dancers, and actors. Up to the present time, no satisfactory method has been found for reporting the amount of employment provided by performing arts organizations. In every company, the number of performers on the payroll varies throughout the season in relation to the repertoire that is presented. While a nucleus of full-time staff may be employed by most organizations, there are always some artists who work on a part-time basis and for varying periods of time. Therefore, although the 29 organizations have reported total amounts for artistic salaries, it has not been possible to calculate average earnings for individual performers.

Technical Salaries

The salaries and expenses paid to technical staff for

all arts organizations almost tripled over the period under study, rising from \$786,000 in 1967 to \$2,235,000 in 1972 (Table 2.3, page 44). The music sector employs very few staff in this category because of the nature of the performances; consequently its expenses here are minimal. For the other three forms of art, however, the increases in these costs have been substantial, as seen in Figure 2c. Technical salaries for opera almost doubled in the first year, rising from \$111,000 to \$197,000 and reflecting the increased performances in Centennial year. Costs decreased to \$171,000 in 1969 and dropped further the next year but returned to this level in 1971 and climbed to \$252,000 in 1972, more than double the figure in the base year.

The cost of technical salaries for dance companies increased by 50% in the first year, and almost tripled over the entire period, rising from \$217,000 in 1967 to \$324,000 in 1968 and finally to \$559,000 in 1972. Figure 2c shows the most dramatic rise in technical salaries to be in the theatre sector, where there was a 74% increase in the first year (from \$444,000 in 1967 to \$773,000 in 1968), then a drop in 1969 to \$655,000, followed by another 78% increase in 1970 to \$1,168,000. Technical salaries continued to rise in the following two years reaching \$1,370,000 in 1972, more than triple the figure in 1967. The sharp rise noted in technical salaries for theatre in 1970 reflects, in part, improvement in the reporting procedures for the companies when the End-of-Season report form was introduced, but is also due to a

Figure 2c

Technical Salaries Expenses, 1966-67 to 1971-72

\$'000



significant increase in the number of performances. Two of the major companies doubled their total performances in the 1969-70 season, presenting most of the additional ones out of town.

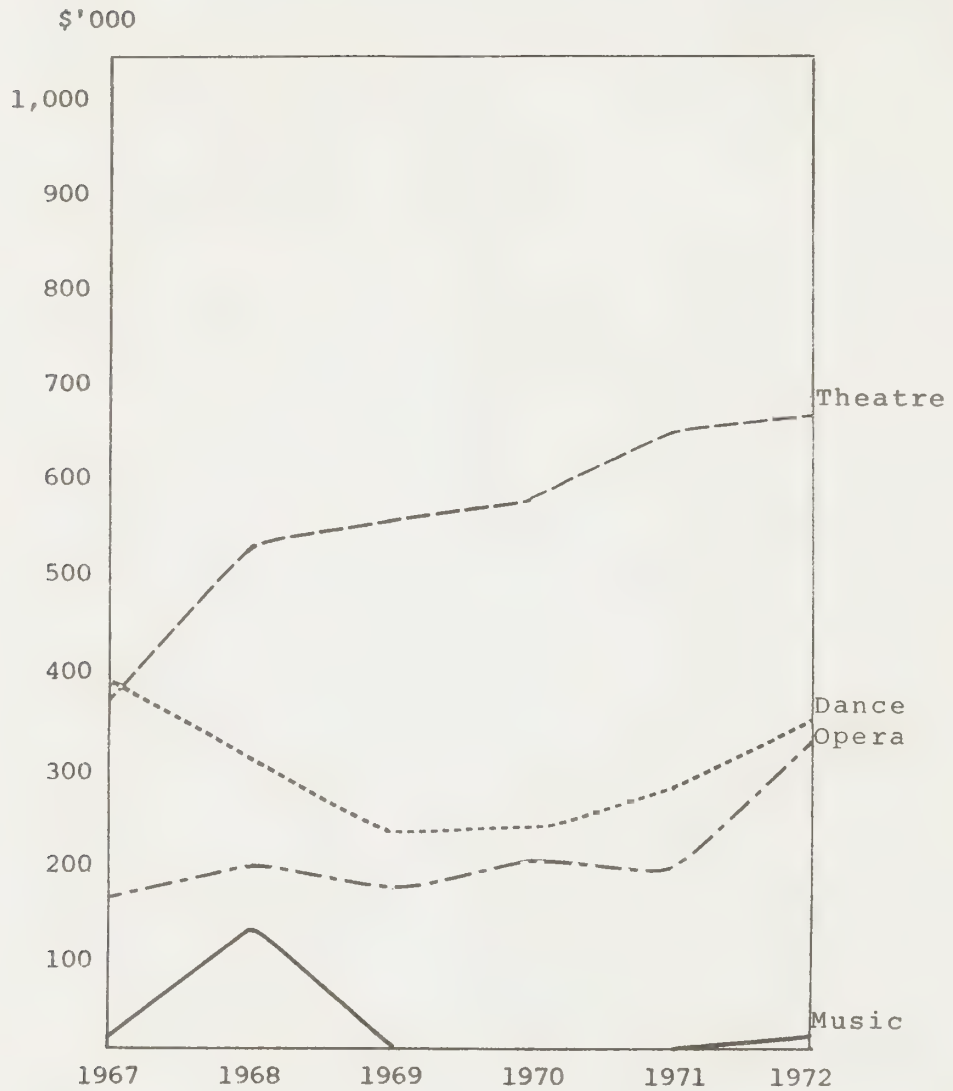
Sets, Props and Costumes

This expense item represents mainly the costs of materials. Salaries for personnel creating and handling sets, props and costumes are allocated to either of the salary expense categories, as outlined in the definitions in Appendix C and previously discussed.

In aggregate over the period, costs of sets, props and costumes increased by 46%, from \$953,000 in 1967 to \$1,390,000 in 1972 (Table 2.4, page 45). There was a sharp rise in 1968 due to accelerated activities in Centennial year, followed by a similar drop in 1969, and steady growth in the next three seasons. However, Figure 2d indicates that changes within the individual art forms have been quite uneven. In music, costs for this item appear only in the first two years and the last year. In the early years, the Montreal Symphony produced some opera, thereby incurring costs in this category, while in 1972 the orchestras in Winnipeg, Edmonton and Vancouver each spent a small amount for these items. Sets, props and costumes for the opera companies have remained fairly even over the years demonstrating a trend, similar to other expense categories, of rise and fall in the years affected by the Centennial activity. However, there was an 81% increase in 1972 when expenses rose to \$341,000, slightly more than double the

Figure 2d

Sets, Props and Costumes, 1966-67 to 1971-72



amount in 1967. For the dance companies, expenses for sets and costumes were highest in 1967 at \$389,000, then decreased year by year until 1971 when they began to rise again, to \$356,000 in 1972. This trend is explained by the expense of preparing new, elaborate productions for the special tours arranged in Centennial year, followed by the efforts of the companies in subsequent years⁴ to maintain a hold-the-line policy by adding only low-cost productions to their repertoire.

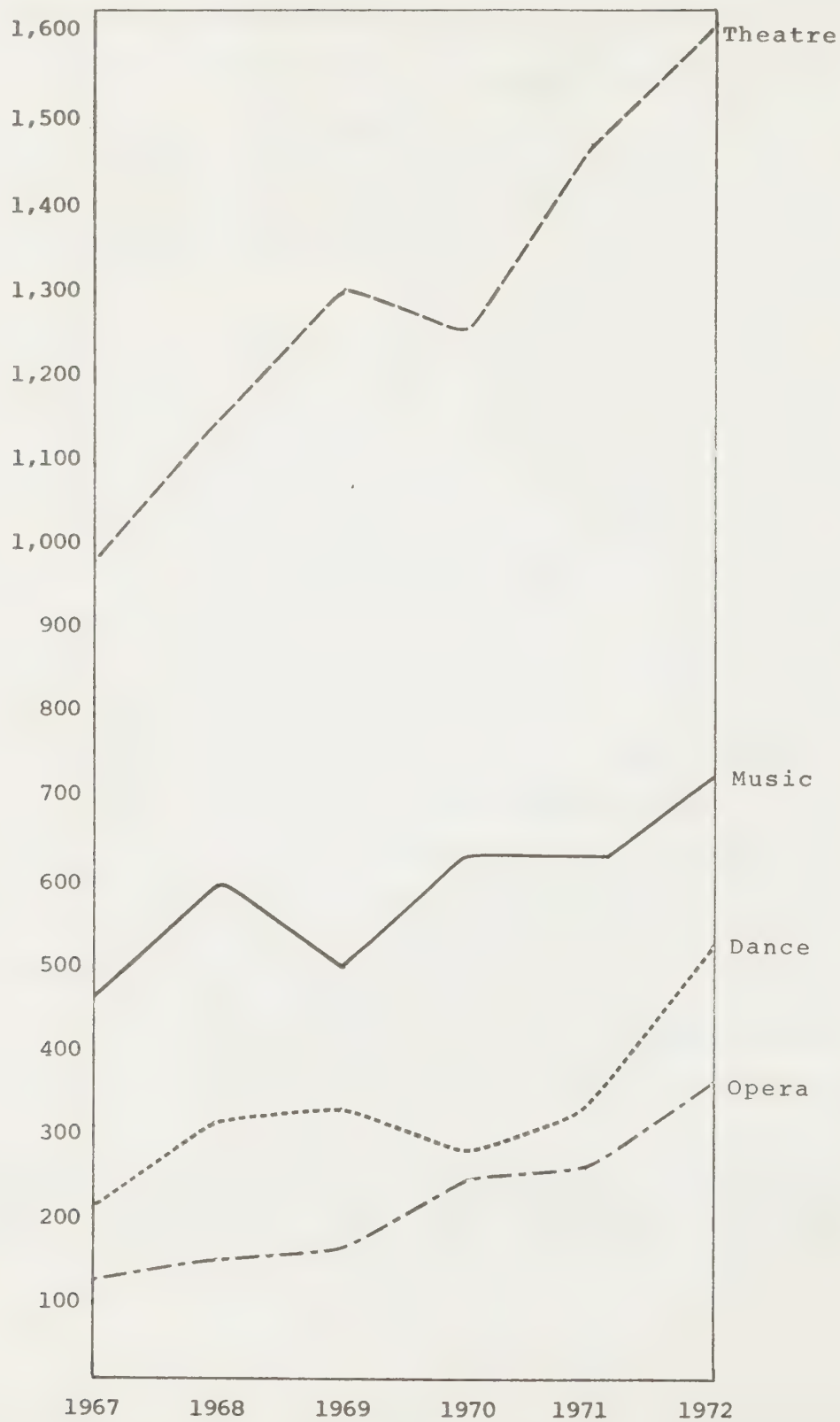
Costs for sets and costumes incurred by theatre companies rose by almost 50% in the first year, from \$374,000 in 1967 to \$546,000 in 1968, then continued increasing slowly to \$675,000 in 1972. The substantial rise in costs in 1968 is again attributable to the greater number of performances and the new productions in Centennial year.

Theatre Expenses

Rental and expenses of the hall or theatre, including the salaries for box office staff and ushers, royalties and miscellaneous production expenses, comprise this category, with the costs of accommodation constituting the major part. These costs for the 29 arts companies have increased considerably over the years, from \$1,801,000 in 1967 to \$3,251,000 in 1972, but they have not quite doubled as have total costs (Table 2.5, page 46).

⁴Wm Littler, dance critic for the Toronto Daily Star writing about the National Ballet's new production of The Sleeping Beauty refers to "the four years of austerity for dance after Centennial year."

Figure 2e
Rental and Other Theatre Expenses, 1966-67 to 1971-72
\$'000



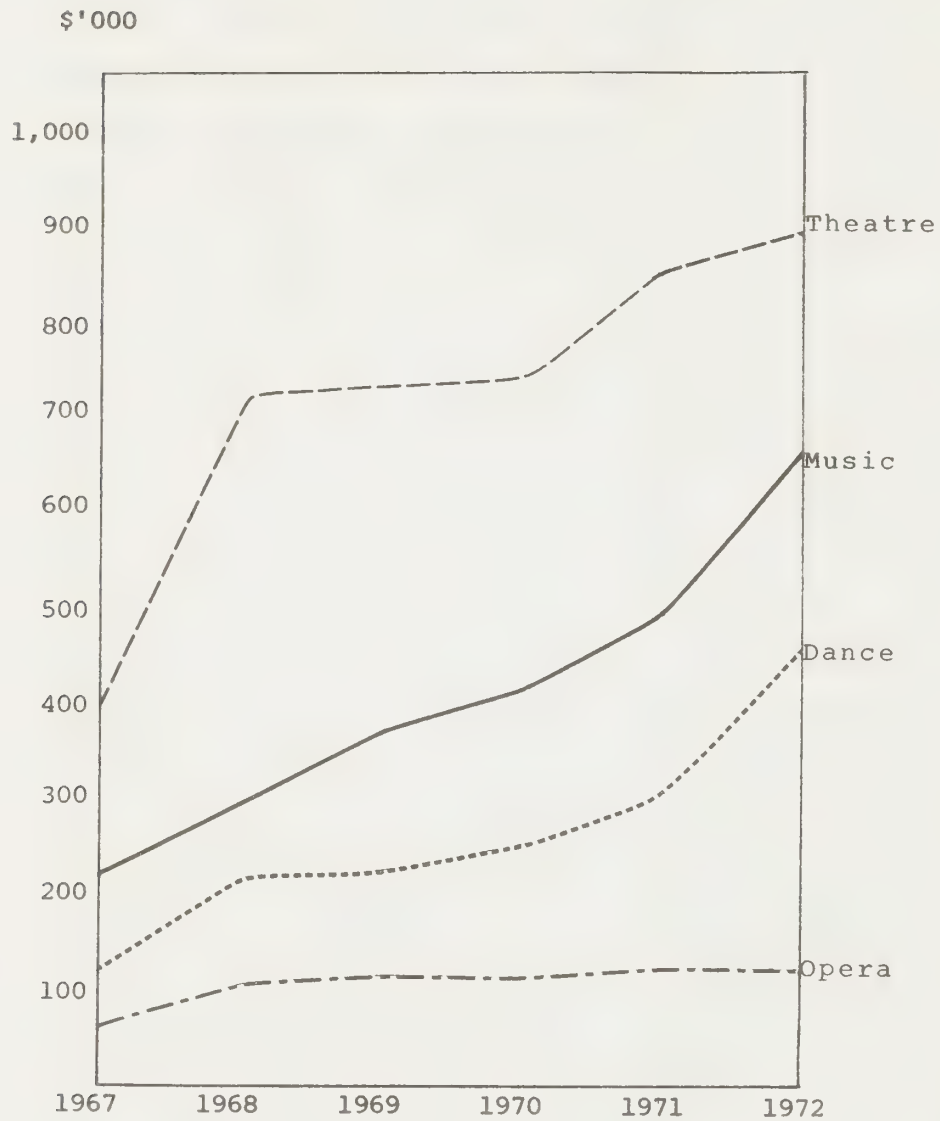
In the individual sectors, music and theatre show a similar trend to that of all sectors, rising from \$461,000 and \$978,000 in 1967 to \$717,000 and \$1,614,000, respectively, in 1972 (Figure 2e). In the music sector, theatre expenses, like expenses in other categories, jumped by some 30% in the Centennial year, dropped almost to the 1967 level in 1969, and then increased again in the following three years. These expenses for the theatre companies show a steady increase over the years, except for a slight drop in 1970. Theatre costs for the opera companies have almost tripled over the five-year span, from \$136,000 in 1967 to \$373,000 in 1972. In fact, the opera companies are unique among the 29; their theatre costs have risen steadily over the period while for others the yearly changes have been quite uneven. For dance companies, theatre costs have more than doubled over five years, from \$226,000 in 1967 to \$547,000 in 1972. As was the case for theatre companies, theatre expenses for dance companies increased annually until they dropped in 1970. They returned to the 1969 level in 1971 and increased further in 1972.

Publicity and Promotion

In addition to the costs of advertising materials, mailing, etc., expenses for publicity and promotion include the amount spent by each performing arts company for their subscription campaign. The results of these campaigns, in numbers of subscribers, have been discussed in Part 1. The costs of marketing their productions have more than doubled for the 29 companies over the period,

Figure 2f

Publicity and Promotion Expenses, 1966-67 to 1971-72



rising from \$820,000 in 1967 to \$2,164,000 in 1972 (Table 2.6, page 47). Here again the activities of Centennial year were responsible for a substantial increase, in 1968, of some 60%. In the subsequent years, the rate of increase in the costs of publicity fluctuated in percentage terms until 1972 when there was an increase of 21%, partly attributable to the general increase in postal rates during that season.

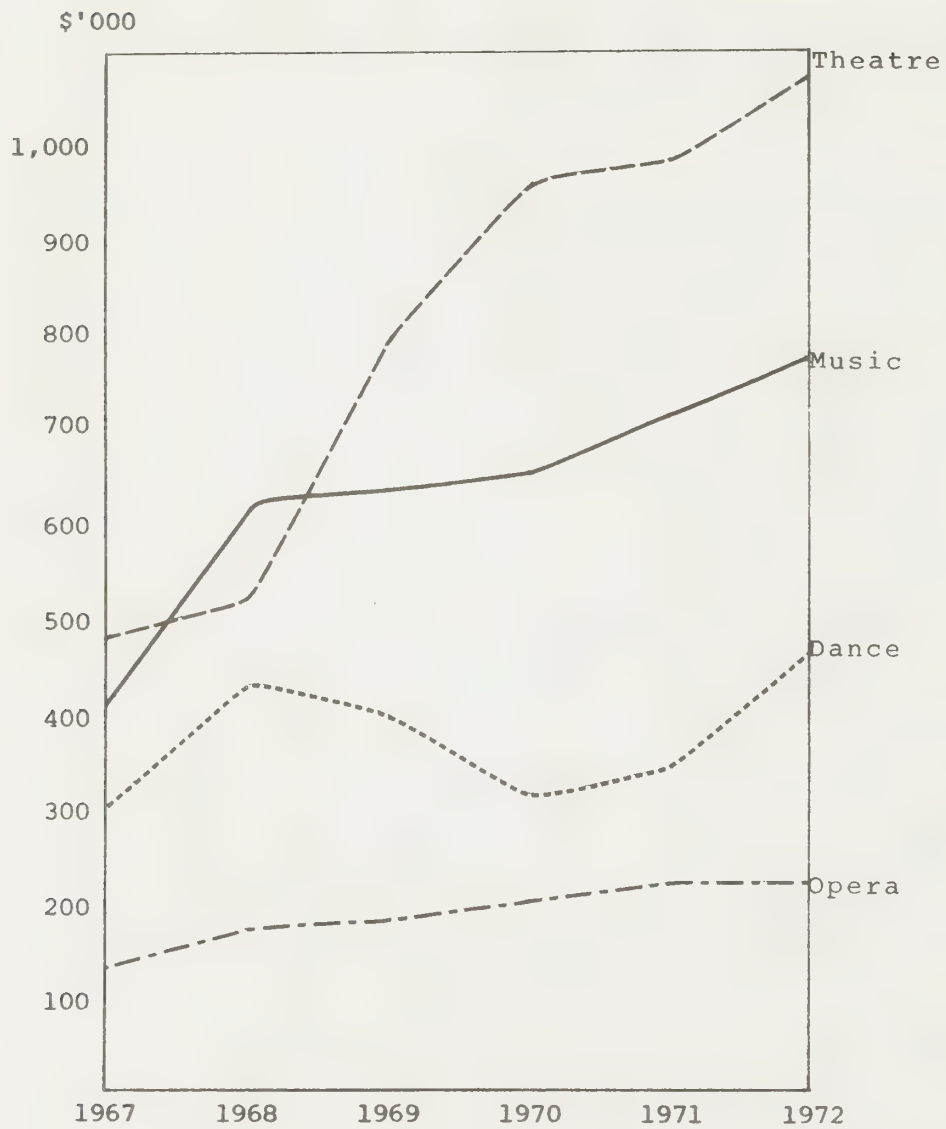
Unlike other categories of expense where there was some unevenness in the changes over the years in the individual arts sectors, costs for publicity and promotion in each art form took off with a significant increase in 1968 (almost double for opera and theatre) and continued to rise (Figure 2f). Among the individual arts sectors, in music, costs of publicity tripled over the period, from \$227,000 in 1967 to \$680,000 in 1972. Over the same period, costs for opera companies did not quite double (\$67,000 in 1967 and \$115,000 in 1972) while for theatre groups they more than doubled from \$404,000 in 1967 to \$901,000 in 1972. In dance, moreover, the amount spent for publicity in 1972 was four times that spent in 1967. This increase is related to the extension of the touring activities of dance companies and their efforts to serve a greater number of Canadian centres.

Administration

In almost all categories of expense (artistic salaries, technical salaries, and so on) and particularly for the individual arts sectors, costs have doubled, tripled, or risen even higher over

Figure 2g

Administration Expenses, 1966-67 to 1971-72



the five-year period. This is not the case for administrative costs. It is evident that the 29 performing arts companies have made every effort to keep administrative expenses within reasonable proportions. Theatre companies are an exception. Their administrative costs slightly more than doubled over the period, from \$481,000 in 1967 to \$1,075,000 in 1972 (Table 2.7, page 48). Each arts sector shows a significant increase in the Centennial period: for music 56%, for opera 16%, for dance 42%; and for theatre 7% (Figure 2g). Orchestras maintained the 1968 level of expense (\$626,000) for the next two years, but showed increases to \$715,000 in 1971 and to \$788,000 in 1972. Administrative costs for opera companies rose slightly each year to \$210,000 in 1972. After the sharp increase in 1968, administrative expenses for dance companies dropped slightly in 1969, and still further in 1970. In 1971 there was a small increase, and in 1972 administrative costs for dance reached \$472,000. While administrative costs for theatre companies rose only slightly in the first year, they increased considerably in the next two years. It was in these years that the expanded activities of several of the smaller companies in the Group necessitated the hiring of full-time business administrators to replace part-time and often volunteer staff. In 1971, administrative expenses for theatre companies rose by just over 2%, but in 1972 increased by 9%.

Table 2.1

Total Operating Expenses by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Music	4,213	5,524	5,833	6,657	7,330	8,683
Opera	1,177	1,568	1,593	1,911	1,924	2,547
Dance	2,338	2,967	2,837	2,805	3,208	4,239
Theatre	4,280	5,649	6,258	7,223	7,939	8,622
<u>Total</u>	<u>12,008</u>	<u>15,708</u>	<u>16,521</u>	<u>18,596</u>	<u>20,401</u>	<u>24,091</u>

100.6% Increase, 1967 to 1972

Table 2.2

Artistic Salaries by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Music	3,080	3,790	4,292	4,929	5,454	6,426
Opera	554	742	792	993	980	1,256
Dance	1,079	1,345	1,262	1,428	1,440	1,837
Theatre	1,599	1,943	2,151	2,477	2,696	2,987
<u>Total</u>	<u>6,312</u>	<u>7,820</u>	<u>8,497</u>	<u>9,827</u>	<u>10,570</u>	<u>12,506</u>

98.1% Increase, 1967 to 1972

Table 2,3

Technical Salaries by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Music	14	73	38	37	35	54
Opera	111	197	171	144	170	252
Dance	217	324	372	301	479	559
Theatre	444	773	655	1,168	1,281	1,370
<u>Total</u>	<u>786</u>	<u>1,367</u>	<u>1,236</u>	<u>1,650</u>	<u>1,965</u>	<u>2,235</u>

184.4% Increase, 1967 to 1972

Table 2.4

Sets, Props and Costumes by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Music	29	133	-	-	-	18
Opera	161	198	166	209	188	341
Dance	389	317	233	231	282	356
Theatre	374	546	566	579	630	675
<u>Total</u>	<u>953</u>	<u>1,194</u>	<u>965</u>	<u>1,019</u>	<u>1,100</u>	<u>1,390</u>

45.9% Increase, 1967 to 1972

Table 2.5

Theatre Expenses by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Music	461	600	500	621	626	717
Opera	136	157	162	253	258	373
Dance	226	335	346	275	347	547
Theatre	978	1,148	1,315	1,250	1,485	1,614
<u>Total</u>	<u>1,801</u>	<u>2,240</u>	<u>2,323</u>	<u>2,399</u>	<u>2,716</u>	<u>3,251</u>

80.5% Increase, 1967 to 1972

Table 2.6
Publicity and Promotion Expenses by Form of Art
1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Music	227	302	369	413	500	680
Opera	67	103	108	108	116	115
Dance	122	214	219	252	309	468
Theatre	404	725	769	785	862	901
<u>Total</u>	<u>820</u>	<u>1,344</u>	<u>1,465</u>	<u>1,558</u>	<u>1,787</u>	<u>2,164</u>

163.9% Increase, 1967 to 1972

Table 2.7

Administration Expenses by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Music	402	626	634	657	715	788
Opera	148	171	194	204	212	210
Dance	305	432	405	318	351	472
Theatre	481	514	802	964	985	1,075
<u>Total</u>	<u>1,336</u>	<u>1,743</u>	<u>2,035</u>	<u>2,143</u>	<u>2,263</u>	<u>2,545</u>

90.5% Increase, 1967 to 1972

3: SOURCES OF REVENUE

This section of the report deals with the revenue obtained by the performing arts companies, through both the sale of their performances and grants and donations, to meet the costs of their operations. The revenue from each source is expressed in dollars and the rate of growth over the period in percentage terms.

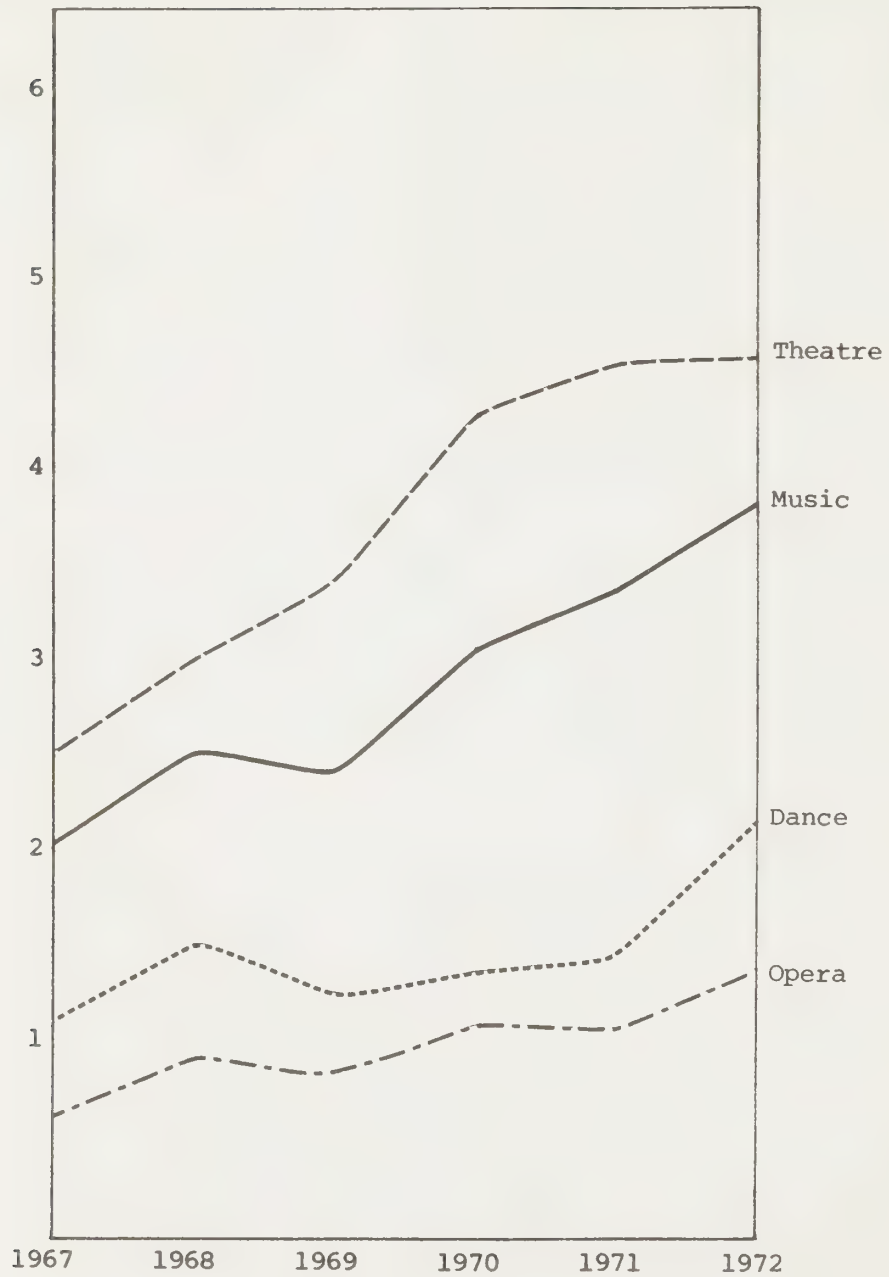
Operating revenue for performing arts companies is derived primarily from receipts at the box office, through both subscription campaigns and single ticket sales. When on tour, companies are usually paid a guarantee for each performance by the sponsor in the centre visited. Occasionally, income is earned through a performance on television or a radio broadcast. The sale of recordings provides an additional source of income for some of the orchestras in the Group of Twenty-Nine. Most companies also add to their revenue through the sale of programs. These areas of income represent the earned revenue of the arts organizations.

Other revenue for performing arts companies is obtained through grants and donations. Grants are provided by three levels of government: federal or Canada Council, provincial, and municipal. Donations come from the private sector of the community, from corporations and individuals. Most performing arts organizations now conduct a fund-raising campaign to enable them to balance their accounts at the end of the season.

Figure 3a

Operating Revenue, 1966-67 to 1971-72

\$'000,000



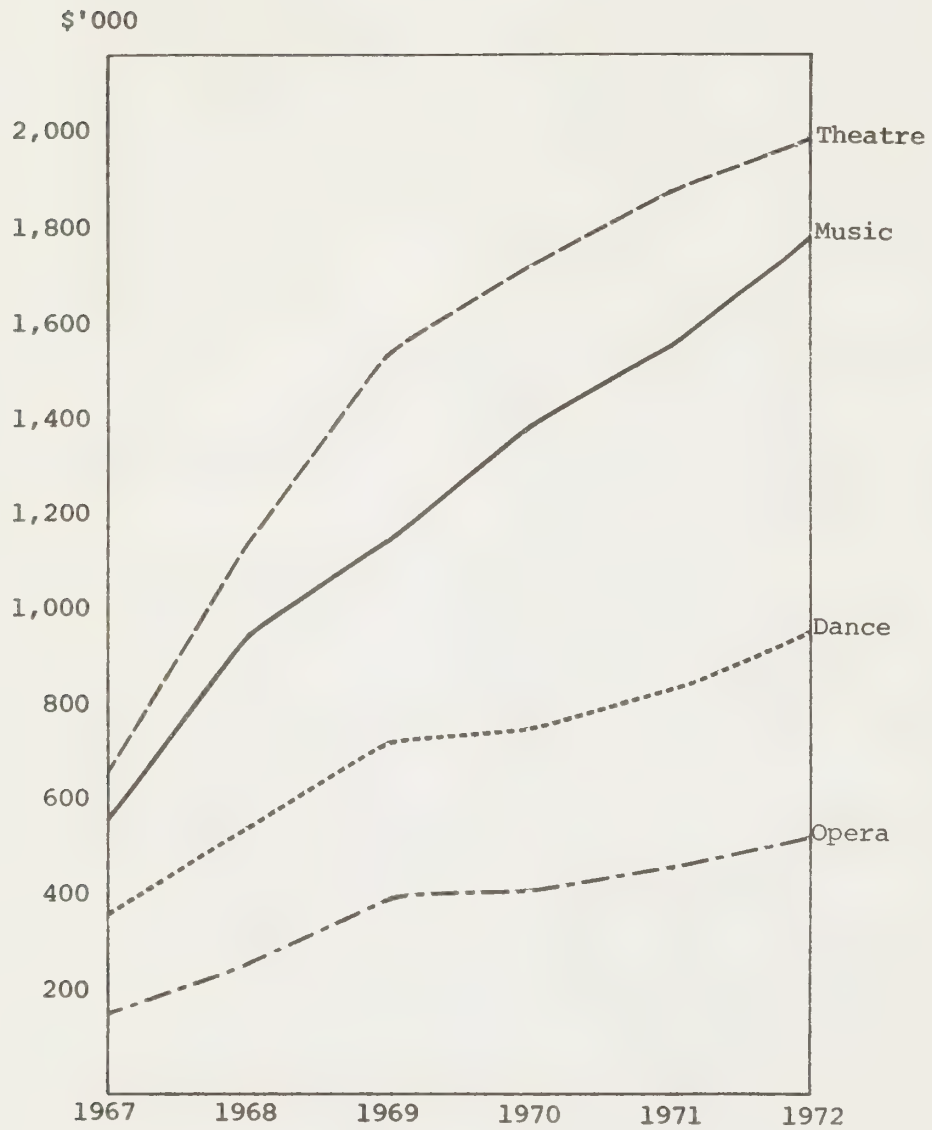
Earned Revenue

Although operating revenues increased considerably over the five-year period, they did not achieve the level of growth of the operating expenditures (Table 3.1, page 60). For all arts sectors, operating revenues rose from \$6,407,000 in 1967 to \$12,053,000 in 1972, an increase of 88%; operating expenses doubled, moving from \$12,008,000 in 1967 to \$24,091,000 in 1972. Operating revenues rose by 25% in the first year as a result of the additional performances given during Centennial year, dropped by about 1% in 1969 and then continued to rise in the following three years. However, as already pointed out, operating expenses jumped by 30% in the first year and continued to rise throughout the period.

Among the individual arts sectors (Figure 3a), dance companies have shown the highest growth in earnings at the box office; their operating revenues more than doubled over the period, growing from \$1,068,000 in 1967 to \$2,200,000 in 1972. An increase of 88% was achieved by opera companies with their operating revenues moving from \$734,000 in 1967 to \$1,377,000 in 1972. For the music and theatre sectors, the increase in operating revenue was 84%, from \$2,081,000 and \$2,524,000, respectively, in 1967 to \$3,826,000 and \$4,650,000 in 1972. Again a comparison can be made with the study of the 28 major U.S. orchestras.⁵ Earned revenue for this group, from 1966 to 1971, increased by 62%.

⁵ Macomber and Wooster, op. cit.

Figure 3b
Canada Council Grants, 1966-67 to 1971-72

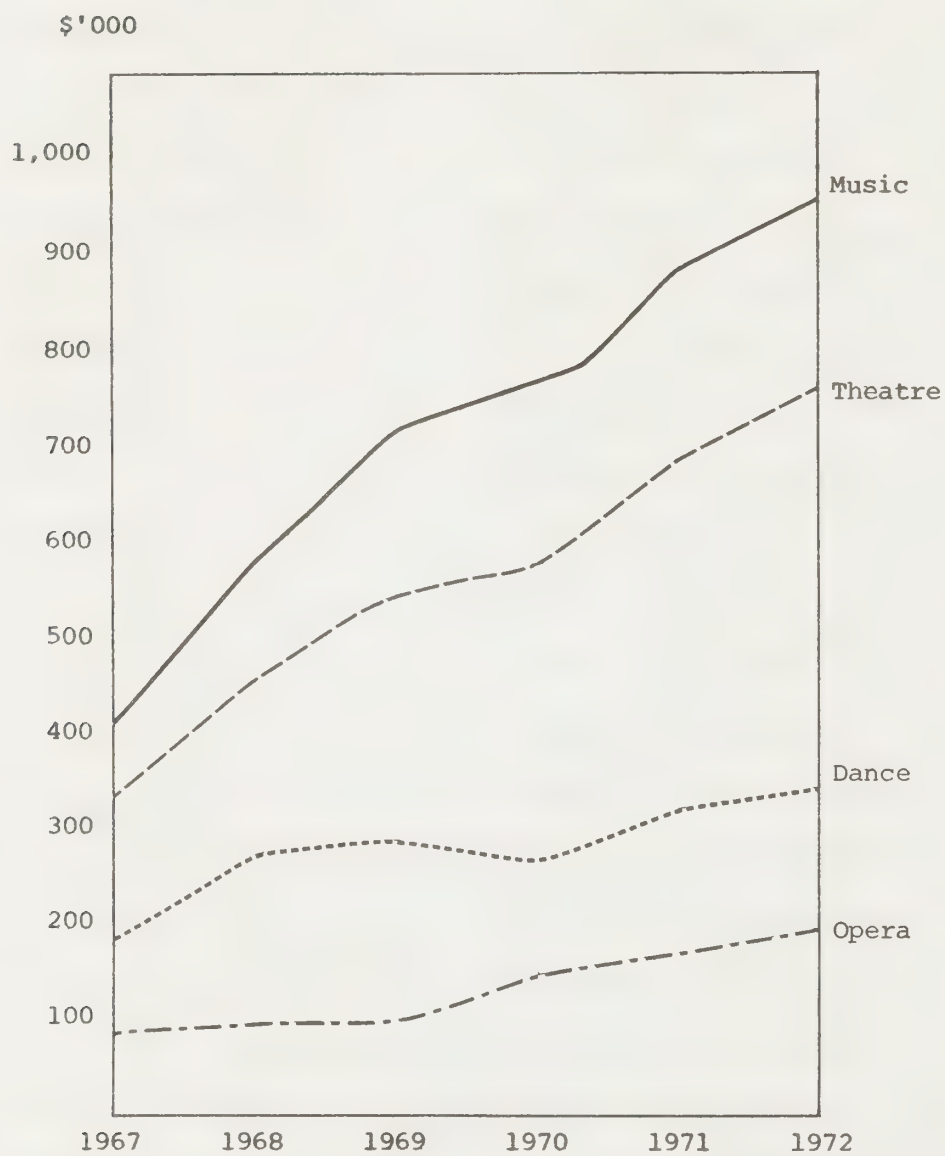


Grants and Donations

Canada Council grants to the Group of Twenty-Nine increased three-fold over the period, from \$1.8 million in 1967 to \$5.4 million in 1972 (Table 3.2, page 61). In the first year alone, they increased by 64% to \$3.0 million, and in 1969 by 30% to \$3.9 million. They settled at an annual rate of increase of 11% for the last three years, reaching \$5.4 million in 1972. For the most part grants in the individual arts forms followed a similar pattern (Figure 3b). Except for dance, funds for each sector tripled over the period. In all cases, the most substantial gain was in the first year when additional monies were provided for the new and special productions of Centennial year. Grants for music organizations more than tripled, rising from \$579,000 in 1967 to \$1,828,000 in 1972. In the first year, grants for music rose by 71% to \$988,000. Council grants for opera and theatre companies tripled also growing from \$183,000 and \$677,000, respectively, in 1967 to \$548,000 and \$2,027,000 in 1972. In the first year, funds for opera increased 50% to \$275,000, while those for theatre leaped by 73% (the greatest increase among the art forms) to \$1,172,000. Council grants to dance groups did not quite triple over the period, moving from \$395,000 to \$990,000. They rose by 43% to \$565,000 in 1968. For each art form, except music, Council grants rose by more than 30% in 1969, then grew at average annual rates of 10-15%.

Subsidies provided by provincial governments more than

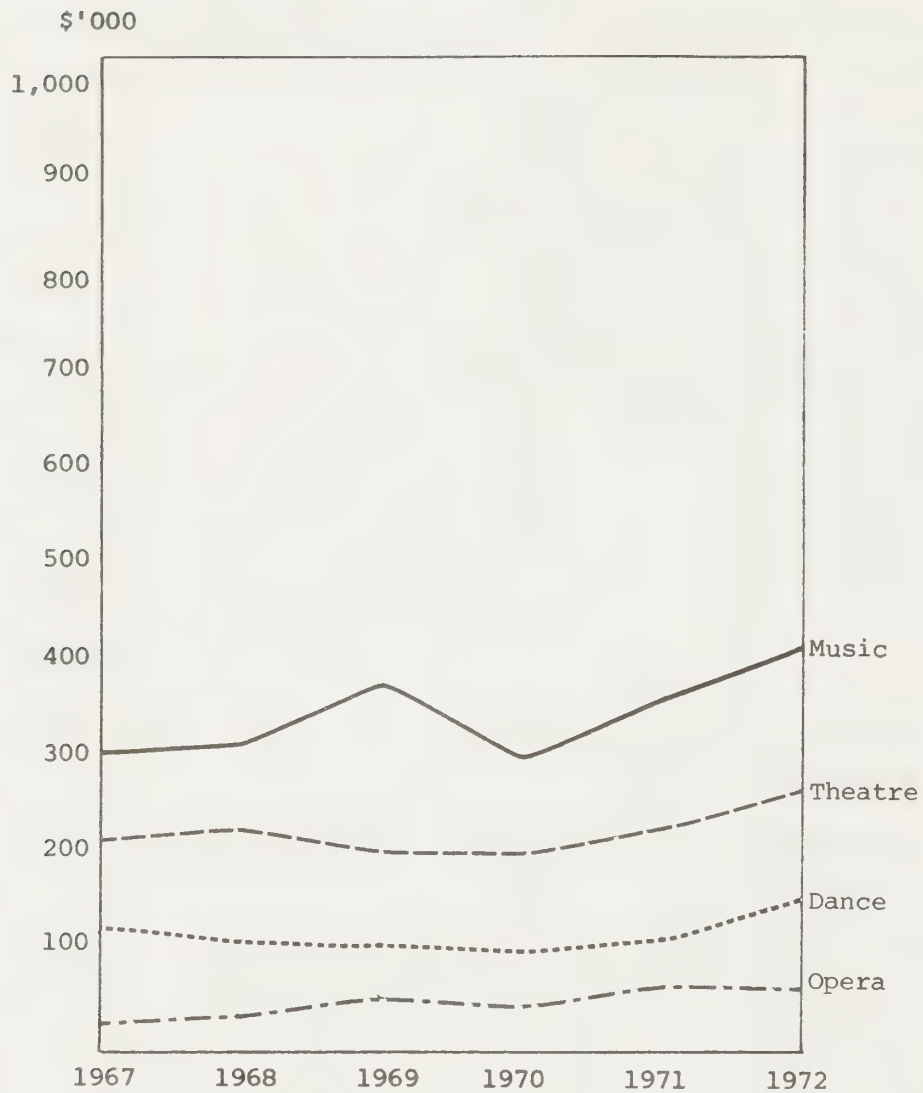
Figure 3c
Provincial Grants, 1966-67 to 1971-72



doubled over the period, rising from \$1.0 million in 1967 to \$2.3 million in 1972 (Table 3.3, page 62). The annual rate of increase in provincial grants fluctuated over the five years. However, like Canada Council grants, provincial funds increased substantially in the first year by 38%, reaching \$1,428,000. In 1969 and 1970, they increased by 16% and 4%, to \$1,664,000 and \$1,726,000, continuing in this pattern for the next two years. Provincial grants to the individual art forms (Figure 3c), except dance, also doubled over the period. Subsidies for music organizations rose from \$421,000 to \$964,000, for opera from \$96,000 to \$196,000, for theatre from \$334,000 to \$761,000 and for dance from \$185,000 to \$346,000. In all sectors but opera, the rate of increase in grants followed the pattern for all arts, with the most substantial gain in the first year. For opera, however, provincial grants remained at the same level over the first two years but increased by 53% to \$150,000 in 1970, continuing to rise to \$168,000 and \$196,000 in the last two years.

Municipal grants to the Group of Twenty-Nine increased by less than one-third over the five-year span, rising from \$700,000 in 1967 to \$913,000 in 1972 (Table 3.4, page 63). Very little change occurred in the first year, but funds increased by 9% to \$765,000 in the next year. In 1970 municipal grants dropped below the level of the base year to \$676,000 (a decrease of 12%), but in the following two years they rose again to \$790,000 and finally to \$913,000. Opera companies received the greatest

Figure 3d
Municipal Grants, 1966-67 to 1971-72

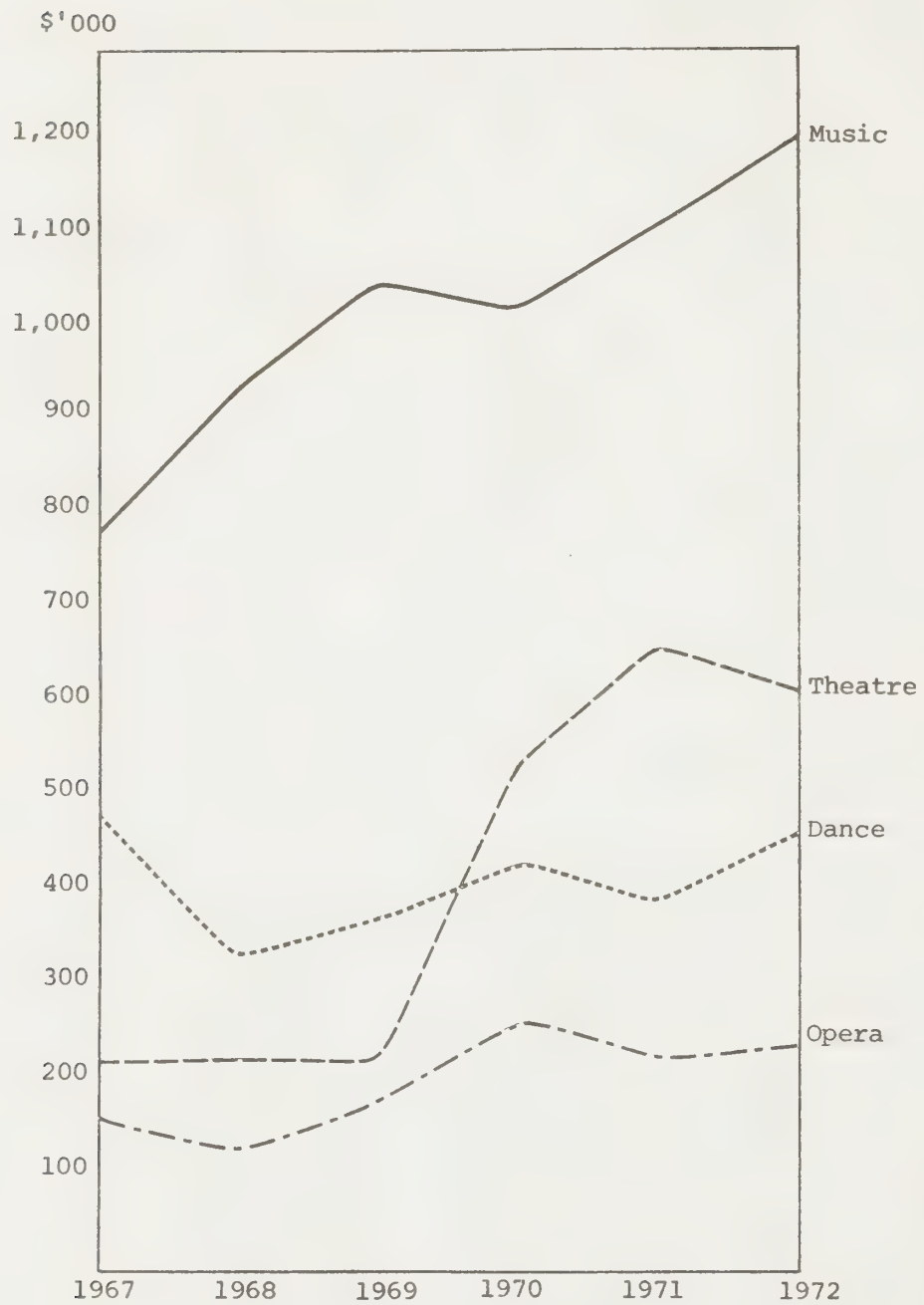


increase in municipal funds (72%), with grants rising from \$36,000 in 1967 to \$62,000 in 1972 (Figure 3d). Municipal grants to music organizations rose from \$308,000 to \$424,000 (38%), to dance groups from \$130,000 to \$157,000 (21%), and to theatre companies from \$226,000 to \$270,000 (20%), but there was no clear trend for each art form over the period.

It should be noted that none of the foregoing figures on grants from the three levels of government take into account indirect subsidies. Some companies are provided with rent-free halls or theatres by the municipality in which they reside. In some provinces, such as Ontario and Manitoba, non-profit organizations, including the Group of Twenty-Nine, are exempted from amusement tax on ticket sales.

Contributions from corporations and individuals to the Group rose by one-half, from \$1.7 million in 1967 to \$2.5 million in 1972 (Table 3.5, page 64). Although funding from the private sector did not increase in the first year, it rose by 11% to \$1,824,000 in 1969 and by 24% to \$2,266,000 in 1970. In the last two years, funds from this source increased by 5% annually, reaching \$2.5 million in 1972. Private contributions to theatre companies more than doubled over the period, rising from \$216,000 to \$618,000 (Figure 3e). Contributions to music organizations and opera companies grew by about one-half, from \$794,000 to \$1,193,000 and from \$158,000 to \$231,000, respectively. However, private donations to dance companies followed a very uneven trend, decreasing by 5%

Figure 3e
Private Contributions, 1966-67 to 1971-72



over the period from \$482,000 to \$457,000. Within every art form, contributions from private sources fluctuated considerably over the period.

Table 3.1

Operating Revenue by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Music	2,081	2,533	2,449	3,115	3,341	3,826
Opera	734	916	753	1,080	1,024	1,377
Dance	1,068	1,507	1,224	1,371	1,441	2,200
Theatre	2,524	3,009	3,454	4,366	4,649	4,650
<u>Total</u>	<u>6,407</u>	<u>7,965</u>	<u>7,880</u>	<u>9,932</u>	<u>10,455</u>	<u>12,053</u>

88.1% Increase, 1967 to 1972

Table 3.2

Canada Council Grants by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Music	579	988	1,173	1,403	1,594	1,828
Opera	183	275	412	423	474	548
Dance	395	565	735	770	866	990
Theatre	677	1,172	1,572	1,751	1,908	2,027
<u>Total</u>	<u>1,834</u>	<u>3,000</u>	<u>3,892</u>	<u>4,347</u>	<u>4,842</u>	<u>5,393</u>

194.1% Increase, 1967 to 1972

Table 3.3

Provincial Grants by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Music	421	585	722	740	896	964
Opera	96	98	98	150	168	196
Dance	185	280	289	261	324	346
Theatre	334	465	555	575	698	761
<u>Total</u>	<u>1,036</u>	<u>1,428</u>	<u>1,664</u>	<u>1,726</u>	<u>2,086</u>	<u>2,267</u>

118.8% Increase, 1967 to 1972

Table 3.4

Municipal Grants by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Music	308	316	388	306	372	424
Opera	36	37	51	49	65	62
Dance	130	117	112	105	115	157
Theatre	226	233	214	216	238	270
<u>Total</u>	<u>700</u>	<u>703</u>	<u>765</u>	<u>676</u>	<u>790</u>	<u>913</u>

30.4% Increase, 1967 to 1972

Table 3.5

Private Contributions by Form of Art, 1966-67 to 1971-72

Form of Art	1967	1968	1969	1970	1971	1972
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Music	794	948	1,051	1,026	1,105	1,193
Opera	158	135	183	256	221	231
Dance	482	344	377	439	390	457
Theatre	216	217	213	545	666	618
<u>Total</u>	<u>1,650</u>	<u>1,644</u>	<u>1,824</u>	<u>2,266</u>	<u>2,382</u>	<u>2,499</u>

51.5% Increase, 1967 to 1972

4: RELATIONSHIPS

Earlier sections of the report dealt specifically with the number of performances of the Group of Twenty-Nine, the expenses incurred in the production of these performances, and the revenue derived through their presentation. Now let us observe how these aspects of artistic operations interact with one another.

Some Statistical Indicators

Taking into account the aggregates for performances and for operating expenses and operating revenue, we have calculated an average cost and an average receipt per performance for each form of art and for each year (Table 4.1, page 78). From the table, it is seen that opera is the most expensive form of art to produce. Music comes next, followed by dance, and finally theatre. Average costs follow this sequence in each year except 1967, when the dance companies were preparing new productions for Centennial presentation and their expenses in relation to the number of performances given were unusually high.

Some caution should be exercised in interpreting these averages. As pointed out earlier, they are based on the total number of performances and on the total operating costs and operating revenues. While the data base divides the number of performances between those at home and on tour, it does not provide the same breakdown for finances. Consequently, averages for the two types of performances could not be calculated separately. For some forms of art such as opera, the productions in the home theatre

are of a much larger scale than those prepared for touring. The home productions would undoubtedly cost more per performance than these averages indicate. However, the figures do show the magnitude of the increase in the cost of a performance over the years.

In 1967, the average cost of one opera performance was \$7,794, while in 1972 it had risen to \$15,625, double that of the base year. The cost of a symphony concert was \$6,603 in 1967 and \$12,127 in 1972. The cost of producing one performance of a play in 1967 was \$1,806, while in 1972 it was \$2,103. In 1967, the average cost of an evening of ballet was \$10,675 but in 1972, the cost was \$8,529. As noted earlier, the cost for dance in 1967 was exceptionally high.

The average receipts, or earned revenue per performance, also appear in Table 4.1. Opera companies achieved the highest average receipts in all years except 1967, when they placed second to dance. From 1968 to 1970 they were followed by dance, music, and finally theatre. In 1971 and 1972, dance and music exchanged order of rank. The average receipts for an opera performance in 1967 were \$4,860 and \$8,447 in 1972. In 1967, dance receipts averaged \$4,876 per performance and \$4,426 in 1972. Average receipts for an orchestral concert were \$3,261 in 1967 and \$5,343 in 1972. The average receipts for a theatre performance changed little over the period, from \$1,065 in 1967 to \$1,134 in 1972.

Now let us look at the average costs and receipts per person in the audience for a concert, performance of an opera,

ballet or play over the five-year period (Table 4.2, page 79). In 1967, the average cost per auditor for a concert was \$3.44, rising to \$6.59 in 1972. Opera, acknowledged as the most expensive art form, cost \$5.37 per spectator in 1967 and increased to \$9.23 in 1972. The average cost per spectator of a theatre presentation rose from \$4.75 in 1967 to \$5.17 in 1972. Dance followed a trend completely different from the other forms of art; the cost per member of the audience dropped from \$5.77 in 1967 to \$4.47 in 1972. The first figure is unusually high reflecting the extra expense for new productions incurred by the dance companies in 1967. In the following year, the average cost dropped to \$4.82 and then rose in the succeeding years to \$6.63 in 1971. In 1972, while operating costs continued to rise, the size of the audience almost doubled and the cost per spectator was thus reduced to \$4.47.

Although average receipts per spectator may be interpreted as average ticket price, the figure would be rather low. Total receipts include both ticket sales and guarantees for school performances where the revenue per student would be minimal. Opera had the highest average receipts per spectator, followed by theatre, dance and music. This order remained constant in the first four years, after which variations occurred. Average receipts per person for opera were \$3.35 in 1967 and \$4.99 in 1972. Average receipts per spectator for theatre varied little over the five years, from \$2.80 in 1967 to \$2.79 in 1972. In music, the average receipt per concert-goer was \$1.70 in 1967 rising to \$2.90 in 1972, while in

dance the figures were \$2.64 and \$2.32. Dance is an exception to the general trend; while the audience doubled from 1971 to 1972, the operating revenue increased at a slower rate by slightly more than half. As a result, the receipts per spectator, which were \$2.98 in 1971, dropped to \$2.32 in 1972.

Revenue as a Proportion of Expenses

Another relationship we shall explore is that of operating revenues, grants and donations, and the operating expenses of the Group of Twenty-Nine.

In 1967 operating revenue for all forms of art covered 53% of the operating expenses of the 29 performing art companies (Figure 4a). This proportion dropped to 51% in 1968, still further to 48% in 1969, rose to 53% in 1970, and then levelled off at 50% in the next two years.

Box office receipts for the opera sector (Figure 4c) covered the highest proportion of operating expenses (62%) in the base year, followed by the theatre sector (59%), the music groups (49%), and the dance companies (46%). In every year except 1969, opera companies continued to raise over half their operating expenses through operating revenue, and in 1972 the proportion was 54%. Theatre companies have also consistently covered over 50% of their operating costs through earned revenue (Figure 4e). The proportion dropped to 53% in 1968 but recovered in 1969 and rose to 60% in 1970. In 1972 the proportion was 54%, the same as for opera. While dance companies earned revenue representing only

Figure 4a

Revenue by Source as a Percentage of Operating Expense: All Arts
1966-67 to 1971-72

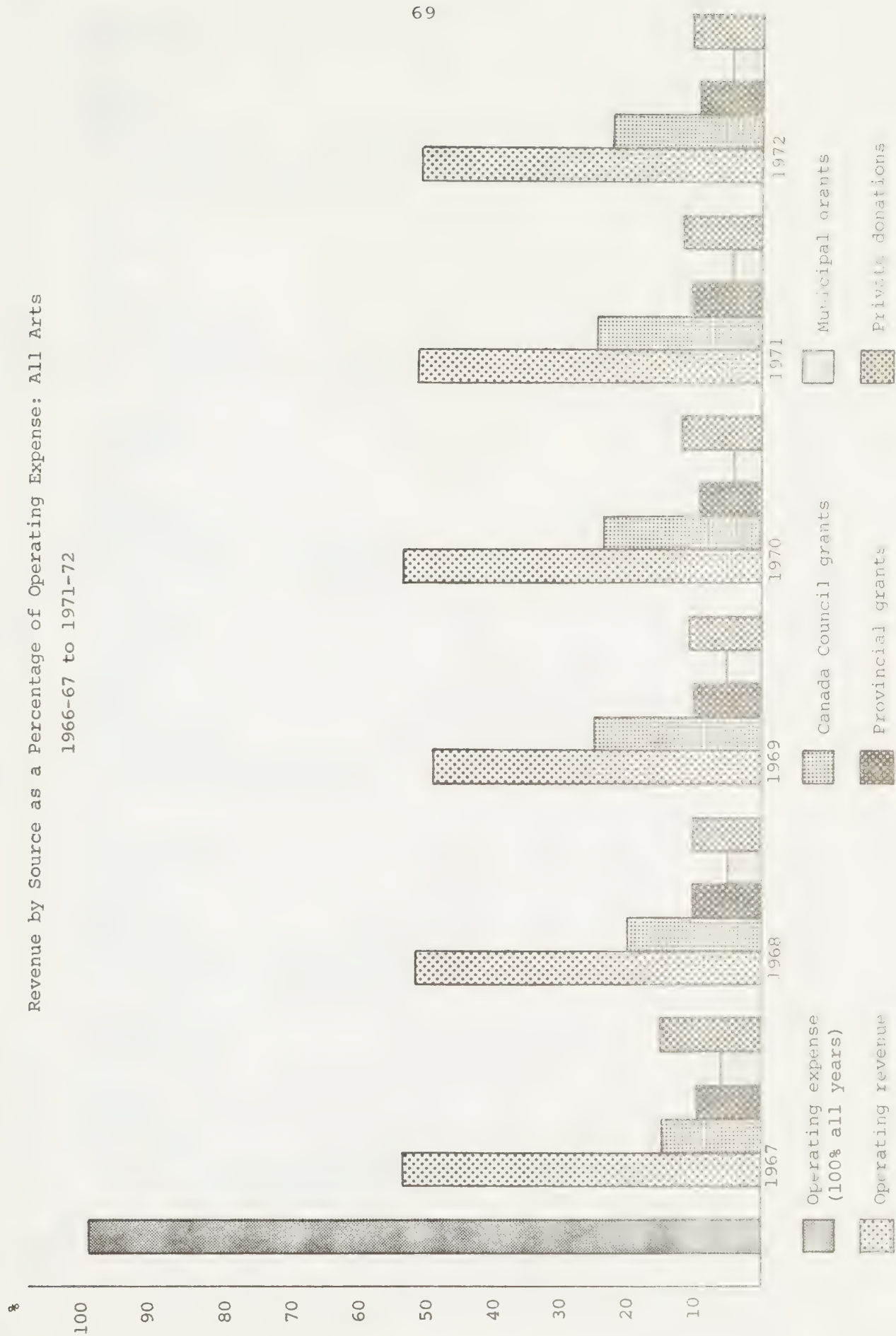


Figure 4b

Revenue by Source as a Percentage of Operating Expense: Music
1966-67 to 1971-72

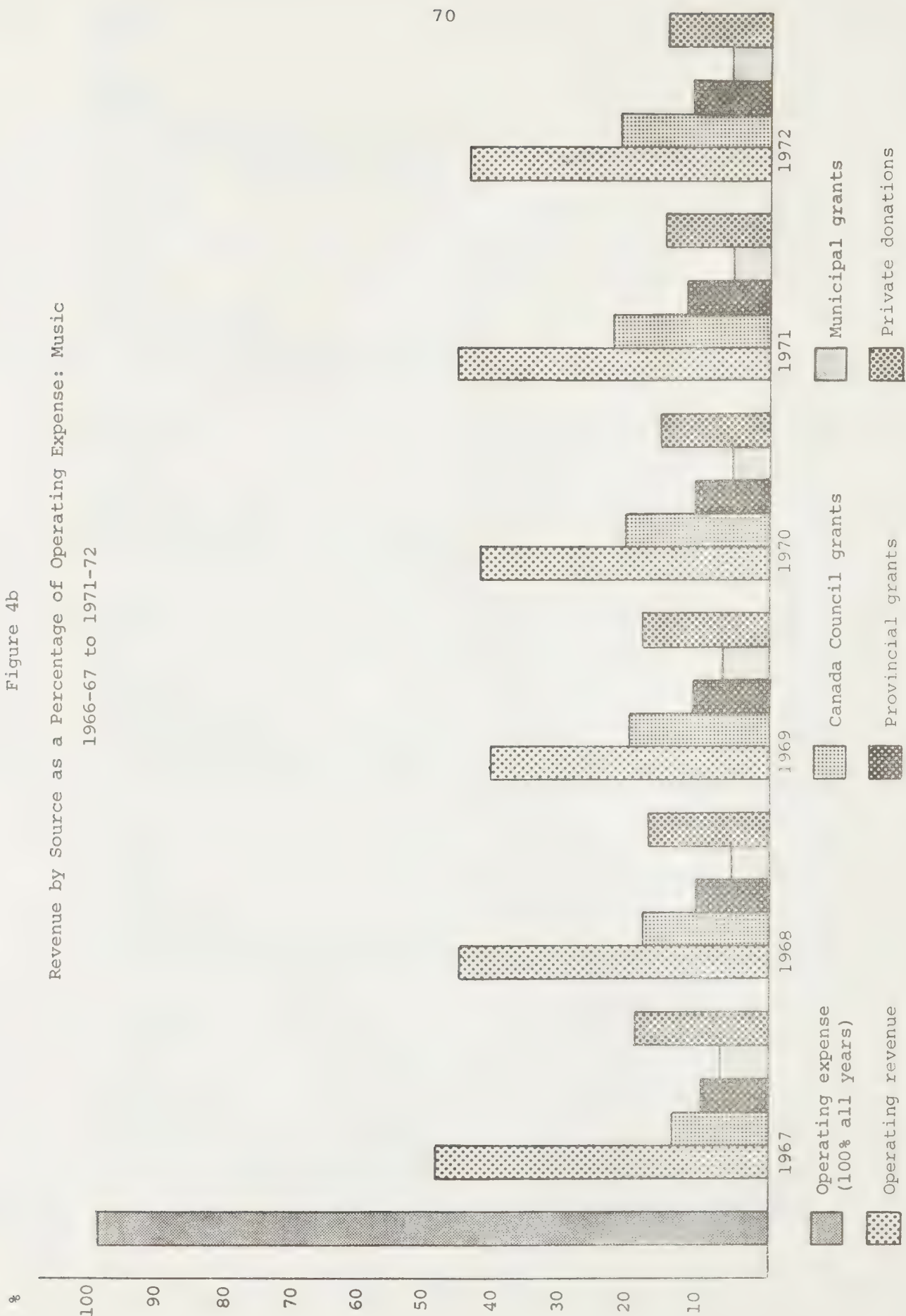


Figure 4c

Revenue by Source as a Percentage of Operating Expense: Opera
1966-67 to 1971-72

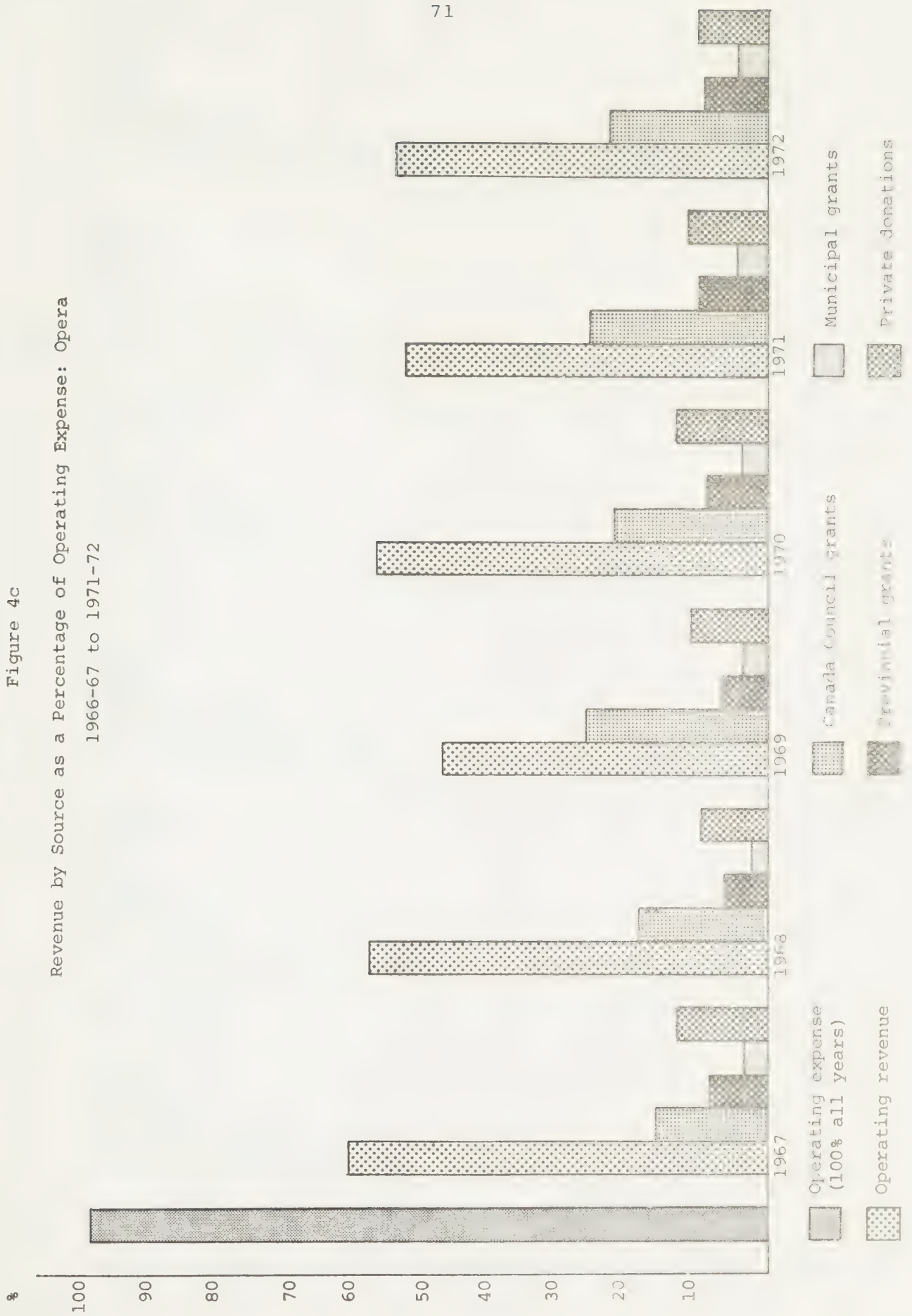


Figure 4d

Revenue by Source as a Percentage of Operating Expense: Dance

1966-67 to 1971-72

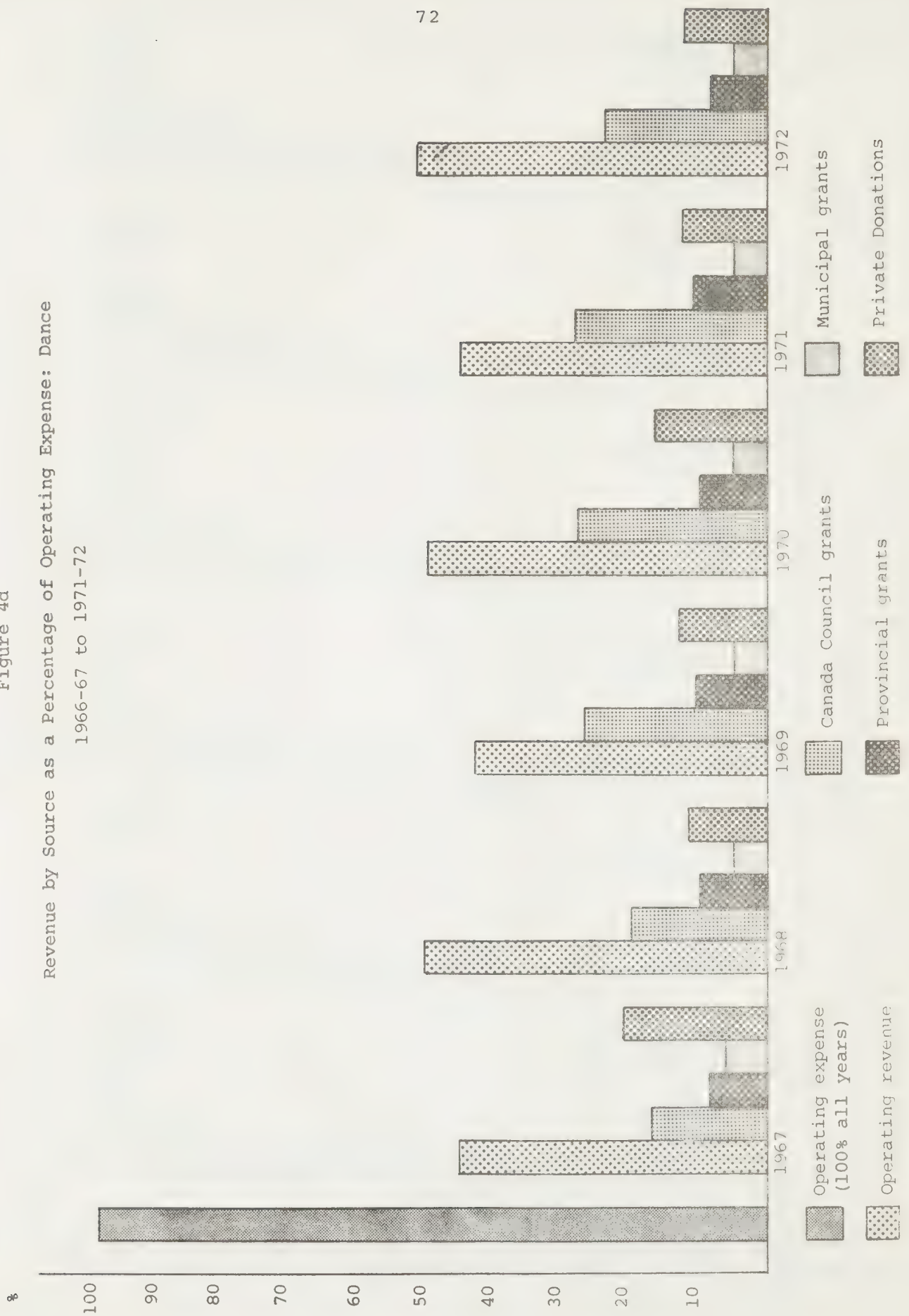
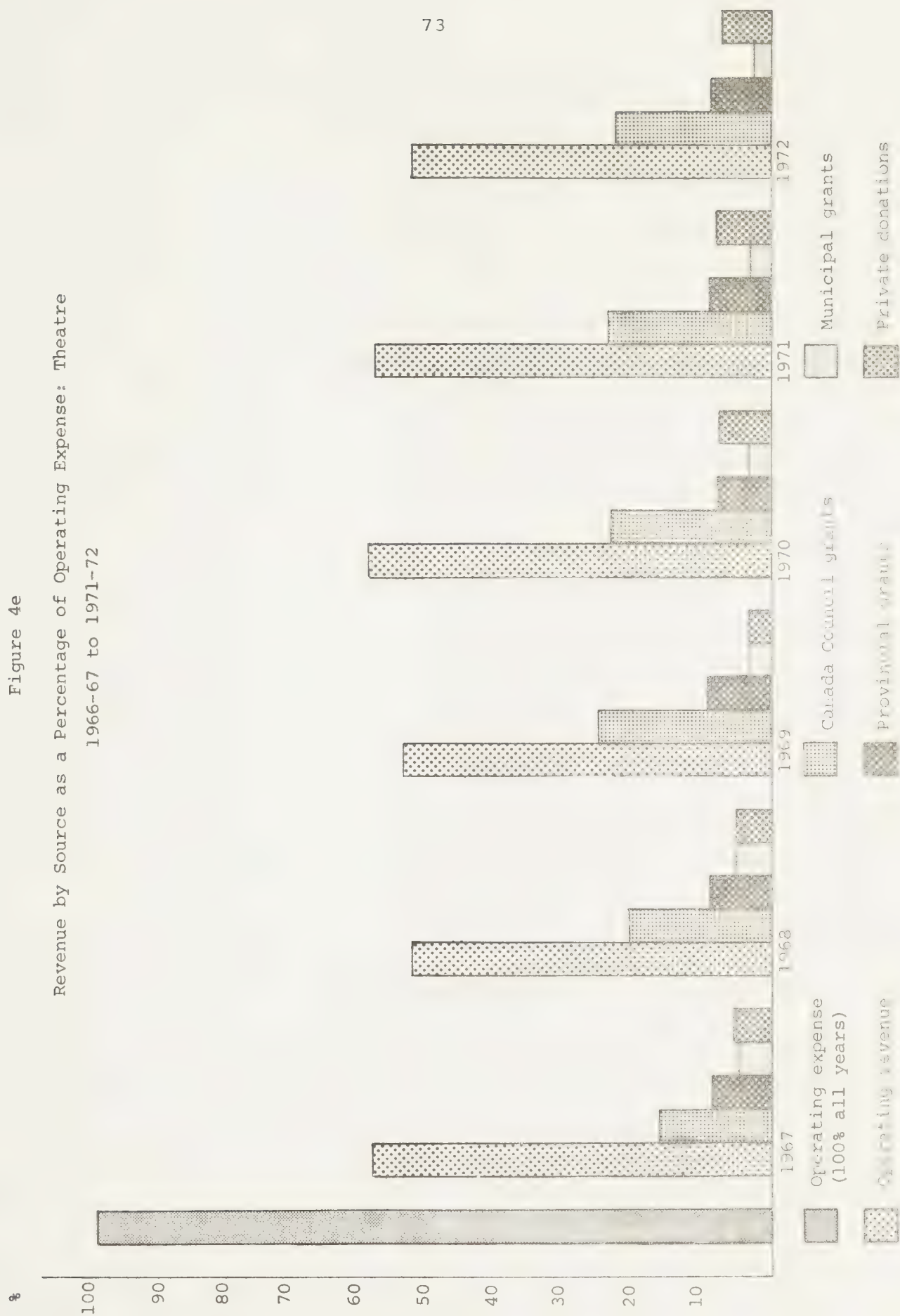


Figure 4e

Revenue by Source as a Percentage of Operating Expense: Theatre
1966-67 to 1971-72



46% of their operating costs in 1967, the proportion rose to 51% in 1968 and continued to fluctuate over the period, reaching 52% in 1972 (Figure 4d). For orchestras, however, the proportion of operating expenses covered by operating revenue has been consistently less than 50% (Figure 4b). The 49% achieved in the base year was the highest proportion over the period. The percentage dropped as low as 42 in 1969, increased to 47 in 1970, but fell again to 44 in 1972. In 1971 the proportion was 46%, the same proportion for that year as noted for the 28 major U.S. orchestras included in the report to the American Symphony Orchestra League.⁶

Since performing arts companies are unable to earn sufficient revenue to cover their expenses, they look to other sources of support, grants from governments and donations from the private sector, to fill the "income gap". This expression refers to the difference between expenditures and earned income and is used by Baumol and Bowen⁷ to describe more precisely than the usual financial term, "operating deficit", the situation as it applies to these non-profit organizations.

Canada Council grants to the Group of Twenty-Nine over five years not only tripled in dollars but also assumed a greater share of the income gap, as its proportion of the operating costs for all art forms rose from 15% to 22%. In the individual arts

⁶ Macomber and Wooster, op. cit.

⁷ Baumol and Bowen, op. cit.

sectors, the proportion of operating costs covered by Canada Council grants rose by six percentage points for opera and dance and by seven percentage points for music and theatre.

While subsidies from provincial governments to the 29 organizations have doubled, the proportion of the operating expenses met by these funds have remained constant at 9%. Among individual art forms, provincial grants to music organizations have represented 10 to 12% of operating costs over the five-year period while for opera the proportion has been 8%, for dance and theatre 9%. These proportions have fluctuated very little over the period.

Municipal grants have increased only by one-third in dollars over the five-year span, and covered a smaller share of the income gap. The proportion of operating expenses for all arts covered by municipal grants dropped from 6% in 1967 to 4% in 1972. This decrease of two percentage points can be observed for all forms of art except opera, where municipal subsidies represented only 3% of operating costs over the entire period.

Regrettably, the pattern for private contributions has been similar. Donations from individuals and corporations increased by one-half in absolute terms, but the proportion of operating costs they covered dropped from 14% in 1967 to 10% in 1972, despite the fund-raising campaigns organized in support of their seasons by most of the companies. This downward trend in private giving was also pointed out in the York University study.

Although there has been an absolute increase in private financial support for the performing arts in Canada during the last decade, private support has dramatically decreased in relative terms, from an estimated 34% in 1963-64 to 15% in 1970-71.⁸

For music organizations, opera and dance companies, the decrease in the proportion of costs borne by private contributors has been similar, although for dance the drop was 10 percentage points. Theatre companies, however, have been more successful in obtaining funds from the private sector. The proportion of operating costs covered by these contributions rose from 5% in 1967 to 7% in 1972.

Although the level of subsidy from both government and private sources was substantial, only in 1970 and 1971 did the Group of Twenty-Nine end the season without deficits that had to be carried forward to the next year's operation. At the end of the 1967 season, the deficit for all companies was slightly less than \$400,000, while for 1972 it was about \$1 million. Over the five-year period, the companies accumulated a deficit of over \$2 million, regardless of their financial situation at the beginning of the period.

Finally, to summarize the present observations on the Group of Twenty-Nine, their financial picture over the entire

⁸ Frank T. Pasquill, Subsidy Patterns for the Performing Arts in Canada (The Canada Council, 1973). The percentages quoted are a proportion of total grants and donations.

period is presented in numerical style (Table 4.3, page 80). Operating expenses and revenues and subsidies from each source are shown by arts sector, in dollars and as a proportion of total expense, for each year from 1966-67 to 1971-72.

It is apparent that costs have doubled and that revenues, while increasing, have not risen as rapidly. Subsidies from all levels of government and donations from the private sector have increased, but the income gap has continued to widen.

Table 4.1

Average Cost Per Performance by Form of Art, 1967 to 1972

Form of Art	1967	1968	1969	1970	1971	1972
	\$	\$	\$	\$	\$	\$
Music	6,603	8,208	8,056	9,906	11,311	12,127
Opera	7,794	11,200	13,852	10,857	13,454	15,625
Dance	10,675	7,975	7,858	9,807	9,547	8,529
Theatre	1,806	2,141	2,007	1,974	1,995	2,103

Average Receipts Per Performance by Form of Art, 1967 to 1972

Form of Art	1967	1968	1969	1970	1971	1972
	\$	\$	\$	\$	\$	\$
Music	3,261	3,763	3,382	4,635	5,155	5,343
Opera	4,860	6,542	6,547	6,136	7,160	8,447
Dance	4,876	4,051	3,390	4,793	4,288	4,426
Theatre	1,065	1,140	1,108	1,193	1,168	1,134

Table 4.2

Average Cost Per Spectator by Form of Art, 1967 to 1972

Form of Art	1967	1968	1969	1970	1971	1972
	\$	\$	\$	\$	\$	\$
Music	3.44	4.51	4.91	5.79	6.26	6.59
Opera	5.37	7.36	8 00	8.17	8.95	9.23
Dance	5.77	4.82	5.02	5.68	6.63	4.47
Theatre	4.75	4.92	4.91	4.87	4.65	5.17

Average Receipts Per Spectator by Form of Art, 1967 to 1972

Form of Art	1967	1968	1969	1970	1971	1972
	\$	\$	\$	\$	\$	\$
Music	1.70	2.07	2.06	2.71	2.85	2.90
Opera	3.35	4.30	3.78	4.62	4.76	4.99
Dance	2.64	2.45	2.17	2.78	2.98	2.32
Theatre	2.80	2.62	2.71	2.94	2.72	2.79

Table 4.3

Summary of Finances by Form of Art, 1966-67 to 1971-72

	Music		Opera		Dance		Theatre		Total	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Operating Expenses										
1966/67	4,213	100	1,177	100	2,338	100	4,280	100	12,008	100
1967/68	5,524	100	1,568	100	2,967	100	5,649	100	15,708	100
1968/69	5,833	100	1,593	100	2,837	100	6,258	100	16,521	100
1969/70	6,657	100	1,911	100	2,805	100	7,223	100	18,596	100
1970/71	7,330	100	1,924	100	3,208	100	7,939	100	20,401	100
1971/72	8,683	100	2,547	100	4,239	100	8,622	100	24,091	100
Operating Revenue										
1966/67	2,081	49	734	62	1,068	46	2,524	59	6,407	53
1967/68	2,533	46	916	58	1,507	51	3,009	53	7,965	51
1968/69	2,449	42	753	47	1,224	43	3,454	55	7,880	48
1969/70	3,115	47	1,080	57	1,371	49	4,366	60	9,932	53
1970/71	3,341	46	1,024	53	1,441	45	4,649	59	10,455	51
1971/72	3,826	44	1,377	54	2,200	52	4,650	54	12,053	50
Canada Council										
1966/67	579	14	183	16	395	17	677	16	1,834	15
1967/68	988	18	275	18	565	19	1,172	21	3,000	19
1968/69	1,173	20	412	26	735	26	1,572	25	3,892	24
1969/70	1,403	21	423	22	770	27	1,751	24	4,347	23
1970/71	1,594	22	474	25	866	27	1,908	24	4,842	24
1971/72	1,828	21	548	22	990	23	2,027	23	5,393	22

	Music		Opera		Dance		Theatre		Total	
Provinces	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
1966/67	421	10	96	8	185	8	334	8	1,036	9
1967/68	585	11	98	6	280	9	465	8	1,428	9
1968/69	722	12	98	6	289	10	555	9	1,664	10
1969/70	740	11	150	8	261	9	575	8	1,726	9
1970/71	896	12	168	9	324	10	698	9	2,086	10
1971/72	964	11	196	8	346	8	761	9	2,267	9
Municipalities										
1966/67	308	7	36	3	130	6	226	5	700	6
1967/68	316	6	37	2	117	4	233	4	703	4
1968/69	388	7	51	3	112	4	214	3	765	5
1969/70	306	5	49	3	105	4	216	3	676	4
1970/71	372	5	65	3	115	4	238	3	790	4
1971/72	424	5	62	3	157	4	270	3	913	4
Private										
1966/67	794	19	158	13	482	21	216	5	1,650	14
1967/68	948	17	135	9	344	12	217	4	1,644	10
1968/69	1,051	18	183	11	377	13	213	3	1,824	11
1969/70	1,026	15	256	13	439	16	545	8	2,266	12
1970/71	1,105	15	221	11	390	12	666	8	2,382	12
1971/72	1,193	14	231	9	457	11	618	7	2,499	10

APPENDIX A

List of 29 Performing Arts Organizations supported
by Canada Council since 1966-67

Music	Atlantic Symphony Orchestra
	Calgary Philharmonic Society
	Edmonton Symphony Society
	McGill Chamber Orchestra
	Orchestre Symphonique de Montréal
	L'Orchestre Symphonique de Québec
	Toronto Symphony Orchestra
	Vancouver Symphony Society
	Victoria Symphony Society
	Winnipeg Symphony Orchestra
Opera	Canadian Opera Company
	Edmonton Opera Association
	Vancouver Opera Association
Dance	Les Grands Ballets Canadiens
	National Ballet Guild of Canada
	Royal Winnipeg Ballet
Theatre	Charlottetown Summer Festival
	Citadel Theatre
	Globe Theatre Society
	Manitoba Theatre Centre
	Neptune Theatre Foundation
	Théâtre du Nouveau Monde
	Playhouse Theatre Company, Vancouver
	Montreal International Theatre, La Poudrière
	Le Théâtre de Quat'sous de Montréal Inc.
	Le Théâtre du Rideau Vert
	Shaw Festival
	Stratford Shakespearean Festival Foundation
	Toronto Workshop Productions

Appendix B

Canada Council Grants to the Arts, 1966-67 to 1971-72

Year	1 Total Grants \$'000	2 Grants to All Arts Organizations \$'000	3 Grants to Performing Arts Organizations \$'000	Grants to 29 Performing Arts Organizations		
				\$'000	% of (1)	% of (2) % of (3)
1967	4,360	3,558	2,888	1,834	42.0	51.5 63.5
1968	7,122	5,712	4,694	3,000	42.1	52.5 63.9
1969	8,766	6,948	5,636	3,892	44.4	56.0 69.1
1970	9,470	7,442	6,107	4,347	45.9	58.4 71.2
1971	10,378	8,710	7,086	4,842	46.6	55.6 68.3
1972	12,277	10,551	8,487	5,376	43.8	51.0 63.3

APPENDIX C

Definition of Classification of Expenses

- Artistic Salaries: salaries (including benefits and travel) for musicians and conductors, singers, actors, dancers, artistic directors, assistant artistic directors, choreographers, composers, and designers
- Technical Salaries: salaries (including benefits and travel) for stage manager, stage crew, including lighting, etc., wardrobe people, wig makers, production manager, properties manager
- Sets and Props: costs of material and manufacture of sets and costumes, including props; i.e., all costs related to sets and costumes except salaries
- Theatre: rental and expenses for the hall
- Royalties: royalties for plays and for music
- Other Production Costs: miscellaneous expenses
- Publicity and Promotion: salaries of publicity director and staff as well as costs of materials, mailing, etc. and the subscription campaign
- Administration: salaries for administrative and office staff, office expenses

Appendix D

Percentage Distribution of Operating Expenses by Type and Form of Art

1966-67 to 1971-72

		1967	1968	1969	1970	1971	1972
Artistic Salaries	Music	73.1	68.6	73.6	74.0	74.4	74.0
	Opera	47.1	47.3	49.7	52.0	50.9	49.3
	Dance	46.2	45.3	44.5	50.9	44.9	43.3
	Theatre	37.4	34.4	34.4	34.3	34.0	34.6
	<u>All Arts</u>	<u>52.6</u>	<u>49.8</u>	<u>51.4</u>	<u>52.8</u>	<u>51.8</u>	<u>51.9</u>
Technical Salaries	Music	.3	1.3	.6	.6	.5	.6
	Opera	9.4	12.6	10.7	7.5	8.9	9.9
	Dance	9.3	10.9	13.1	10.7	14.9	13.2
	Theatre	10.4	13.7	10.5	16.2	16.1	15.9
	<u>All Arts</u>	<u>6.6</u>	<u>8.7</u>	<u>7.5</u>	<u>8.9</u>	<u>9.6</u>	<u>9.3</u>
Sets, Props and Costumes	Music	.7	2.4	-	-	-	.2
	Opera	13.7	12.6	10.4	10.9	9.8	13.4
	Dance	16.6	10.7	8.2	8.2	8.8	8.4
	Theatre	8.7	9.7	9.0	8.0	7.9	7.8
	<u>All Arts</u>	<u>7.9</u>	<u>7.6</u>	<u>5.8</u>	<u>5.5</u>	<u>5.4</u>	<u>5.8</u>
Theatre Expenses	Music	10.9	10.9	8.6	9.3	8.5	8.3
	Opera	11.6	10.0	10.2	13.2	13.4	14.6
	Dance	9.7	11.3	12.2	9.8	10.8	12.9
	Theatre	22.9	20.3	21.0	17.3	18.7	18.7
	<u>All Arts</u>	<u>15.0</u>	<u>14.3</u>	<u>14.1</u>	<u>12.9</u>	<u>13.3</u>	<u>13.5</u>
Publicity and Promotion	Music	5.4	5.5	6.3	6.2	6.8	7.8
	Opera	5.7	6.6	6.8	5.7	6.0	4.5
	Dance	5.2	7.2	7.7	9.0	9.6	11.1
	Theatre	9.4	12.8	12.3	10.9	10.9	10.5
	<u>All Arts</u>	<u>6.8</u>	<u>8.6</u>	<u>8.9</u>	<u>8.4</u>	<u>8.8</u>	<u>8.9</u>
Administration	Music	9.6	11.3	10.9	9.9	9.8	9.1
	Opera	12.5	10.9	12.2	10.7	11.0	8.3
	Dance	13.0	14.6	14.3	11.4	11.0	11.1
	Theatre	11.2	9.1	12.8	13.3	12.4	12.5
	<u>All Arts</u>	<u>11.1</u>	<u>11.0</u>	<u>12.3</u>	<u>11.5</u>	<u>11.1</u>	<u>10.6</u>

Note: Total operating expenses for individual art forms and all arts represent 100%. See Tables 2.1 to 2.7 for dollar values.



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